AN INFERENCE-BASED MODEL OF BUILDING BRAND EQUITY THROUGH SPONSORSHIP

By

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TABLE OF CONTENTS

Abstract of Dissertation Presented to the Graduate School
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Sponsorship, or the intentional association of a brand or company with a sports teams or sporting event, entertainment tour or attraction, festival, fair or annual event, charitable cause, the arts, or cultural institutions, is emerging as an important component of the marketing mix. While there is general agreement that sponsorship is effective at exposing consumers to a brand name, little is known about how sponsorship can build brand equity.

A two stage model of building brand equity through sponsorship is proposed. It is proposed that in the first stage, event, associational and audience factors lead consumers to draw different inferences about the sponsoring brand. These inferences include brand size (i.e. "this must be a big brand to be able to sponsor this event"), brand legitimacy (i.e. "this brand must be OK in order to be allowed to sponsor this event"), and event facilitation (i.e. "this brand is making this event possible, or at least making it better"). In the second stage, these inferences are proposed to differentially impact choice probabilities for different categories and brands.

A series of five studies investigates the role played by event, associational and audience factors on inference making about a sponsoring brand. Evidence is found that brand size inferences are best created through sponsoring large events for a long time, whereas event facilitation inferences are best created through being the title sponsor of smaller events. Three additional studies demonstrate that these two inferences (brand size and event facilitation) have a different impact on the choice probabilities of different categories and brands.

INTRODUCTION

As a promotional tool, sponsorship is unique. It is, perhaps, the only means of communicating with customers without the benefit of a verbal message. Any message received must be derived from the association in the mind of a consumer. While traditional advertising often employs simple visual associations between objects and products, the headline, body copy and/or audio usually help to explain what the association means. With sponsorship, however, the association is the entire message. For this reason, the study of sponsorship involves the development and testing of constructs which are quite different from those employed in the study of traditional advertising.

Before going any further, it is necessary to define what is meant by sponsorship. Sponsorship is a commercial association of a brand with a sports teams or sporting event, entertainment tour or attraction, festival, fair or annual event, charitable cause, the arts, or cultural institutions (Andrews 1996). While purchasing advertising time on TV and radio has sometimes been referred to as "sponsoring," buying space in traditional media (i.e. TV, radio, print) is not what is meant by sponsorship here.

Spending on sponsorship (as defined above) has grown more than fivefold in the last ten years, and is expected to exceed $5 billion this year in North America alone (Andrews, 1996). Currently, the bulk of this sum (66%) is spent on sports sponsorship, but arts and cultural sponsorships are growing at the fastest rate. Overall, spending on

sponsorship is increasing faster than spending on advertising or sales promotion (Andrews 1996).

While the bulk of the growth in sponsorship activities has taken place over the last twenty years, the idea of creating an exploitable association between a commercial and a noncommercial entity is not a new one. In fact, an association between the product Bovril and the Nottingham Forest Football Club dates from 1898 (Marshall and Cook, 1992). In 1927, Charles Lindbergh named his plane the "Spirit of St. Louis" because his financial sponsors wanted to promote St. Louis, Missouri, as an aviation city. Thus, the first transatlantic flight was, in fact, a sponsored event (Hildreth and Nalty, 1969; Lindbergh, 1953). When Jesse Owens won four gold medals in the 1936 Olympics, he did so in Adidas shoes (Ryssel and Stamminger,1988, p. 111). Finally, in the first known example of a sporting event being named after a brand, The "Whitbread (Ale) Gold Cup," a horse racing event, first took place in 1956 (Marshall and Cook, 1992).

In spite of this long history as a phenomenon and rapidly growing levels of expenditure, the mechanisms through which sponsorship affects brand equity, preference and choice, are not well understood. The purpose of this dissertation is to begin systematically exploring the ways in which sponsorship works. It begins with a review of extant sponsorship research and is followed by a summary of relevant research from related "commercial association" domains, like celebrity endorsement and brand and line extension. Measurable marketing variables upon which sponsorship may have an impact are then discussed.

Exploratory research and managerial intuition as to how sponsorship works are then developed into seven testable mechanisms through which sponsorship may function in

various situations. These mechanisms are simple awareness, affect transfer, image transfer, affiliation, implied size, implied endorsement, and reciprocity. Constructs which are hypothesized to have an impact upon the functioning of these mechanisms are then developed. These constructs include various types of "fit" between sponsor and event, as well as "sacrilege" or consumer outrage at an association which is perceived to be inappropriate. A theoretical discussion of how other communications can be deployed to maximize the impact of the sponsorship association wraps up the background and theory chapters.

Three empirical studies of how the event and associational factors (event size, brand-event fit, duration of association and share of presence) of a sponsorship impact consumer perceptions of unfamiliar brands are presented in chapter eight. Chapter nine reports the results of two studies which investigate the role of audience characteristics (involvement with and knowledge about the event) on consumer response to a pair of familiar brands. In chapter ten, the impact of sponsorship-based inference on brand choice is investigated for several categories of brands. Chapter 11 provides an overview of the findings of chapters eight through ten and suggests some interesting areas for further study in this emerging area.

CHAPTER ONE

EXTANT SPONSORSHIP RESEARCH: WHERE ARE WE NOW?

Since 1984, there have been at least 35 journal articles which deal, either directly or indirectly, with sponsorship. Hundreds more can be found in the trade press. Despite these facts, very little work beyond describing the occurrence frequency of sponsorship activities has taken place. What has gone beyond description of frequency often involves the reporting of levels of awareness, attitude or purchase intention following a sponsorship. A few tangential topics have also received some attention. Finally, there have been a good number of papers which put forth some ideas of "how sponsorship works". For the most part, though, these papers rely entirely upon anecdotal evidence for support of their assertions. These assertions, which come largely from papers written by practitioners and consultants, however, do provide a wealth of insight into potential mechanisms through which sponsorship may work. The systematic development of such mechanisms follows in a subsequent chapter.

One of the questions most frequently addressed in the sponsorship literature is "why do companies engage in sponsorship?" Abratt, Clayton, and Pitt (1987) found that among 60 sponsoring organizations in South Africa, 11% of respondents claimed that their sponsorship was altruistic "to a large extent," 53% said it was altruistic to "some

extent" and 36% said it was not altruistic (p. 309). Apart from this one study, however, the issue of altruistic motives in sponsorship is unexplored.

Armstrong (1988) presents the results of a case study analysis of the sponsorship activities of 17 large international electronics companies. Interviews were conducted in four countries (United States, Great Britain, Germany, and France) with corporate and regional marketing managers from the companies, representatives of the sports being sponsored and any intermediary agencies involved (80 interviews total). Within the sample, American firms more frequently listed business managers as the primary target for the sponsorship, while European and Japanese firms tended to use sponsorship to reach the consumer audience. Interestingly, the demographics of these two target audiences were nearly identical (male, upper management, age 35-55). The interviews also revealed that firms which have been involved with a sponsorship for several years tended to have image enhancement (as opposed to awareness) goals. It is unclear from the data presented in the paper, however, whether companies changed their focus over time, or if companies with awareness goals stopped engaging in sponsorship after awareness goals were met.

Marshall and Cook (1992) asked why 200 British companies from the Times 1000 engaged in sponsorship. Reasons given were "reach target audience" (49%), "product linked" (34%), "image of sport" (14%) and "other"(3%) (p. 319). They also asked for importance ratings for a number of potential sponsorship goals. Mean importance ratings for "building corporate image," "national link with product or service," "potential advertising exposure," "potential TV coverage," "potential press coverage," and "covers target audience" indicated that all were important or very important. Only "ability to

provide corporate hospitality" was rated below the midpoint of the five point importance scale.

Withcer et al. (1991) found that companies used sponsorship of cultural and art institutions to reach opinion leaders and to achieve community relations goals, whereas sports sponsorship was used primarily to reach the general public directly. Scott and Suchard (1992) factor analyzed the results of a 23 question survey of 108 Australian businesses. The resultant four factors were regressed on the amount spent on sponsorship by each company. Two of the four factors, performance and client relationships, were found to be significantly correlated to expenditure on sponsorship. The significant correlation of "client relationship" and expenditure is said to be somewhat counter to previous studies (i.e. Marshall and Cook, 1992) which found hospitality to be only a marginally important goal.

Another issue which has received some attention in the sponsorship literature is "how do companies go about choosing an event, once they have decided to engage in sponsorship?" Gardner and Shuman (1987) surveyed Fortune 500 companies about their choice of sponsorship activities. Eighty-four percent reported using in-house expertise for screening, while 24% percent utilized outside counsel to evaluate and choose particular events.

In a survey of companies sponsoring football (soccer) in the UK, Thwaites (1995) found that sponsors of Premier League Clubs, which have high profile and cost, were more proactive in securing sponsorship opportunities, compared more clubs before the decision and negotiated longer term contracts, than did sponsors of Division One Leagues, which have moderate profile and cost (all significant at $p<.05$). This seems to suggest that

larger, more sophisticated companies spend more time and effort choosing what they will sponsor than do smaller, less sophisticated firms.

The types of evaluation employed by firms to determine sponsorship success has also been investigated. Gardner and Shuman (1987) found that 17% of firms using sponsorship engaged in audience research. Among consumer firms, 27% used sales or share to determine success while only 8% of commercial firms used this measure. Somewhat startling, however, is that fully 47% of responding firms involved in sponsorship reported no post-event evaluation.

There is one other paper which reports the results of an empirical investigation of sponsorship evaluation. In a survey of UK soccer sponsors, Thwaites (1995) found a heavy reliance upon amount of generated media exposure as a measure of sponsorship success. He also found that this exposure was more carefully measured by firms which sponsored large and prominent teams.

Research has also reported on amounts of expenditure on corporate sponsorship. For example, Meerabeau et al. (1991) reported $5 billion in global expenditure on sports sponsorship during 1989. This study also details the amount spent by different segments of the "drinks industry," as well as percentages of marketing budgets spent on sponsorship by each segment. Armstrong (1988) surveyed 17 large international electronics companies. He found that larger companies, while spending more on sponsorship in absolute numbers, spent a smaller percentage of their marketing budget on sponsorship than did smaller companies.

Studies have also reported the impact of sponsorship on consumers. By far, the most widely reported measure is awareness. Chew (1992), for example, found that

viewers of a sponsored public television program (MacNeil/Lehrer News Hour) were more aware that AT&T sponsored the News Hour than were nonviewers.

Crimmins and Horn (1996) point out the need to take into account the number of people who mistakenly believe that a competitor is a sponsor, in addition to actual awareness that your brand is the sponsor of an event. They point out that while 35% of a consumer mail panel could correctly identify Coke as the official soft drink of the NFL, that 34% thought it was Pepsi, and note that Coke had paid $250 million to become the official soft drink.

Awareness levels of sponsorship have also been studied in an experimental setting. Hoek, Gendall and Stockdale (1993) exposed New Zealand secondary school students to tapes containing a cricket match with a cigarette brand as the title sponsor (the "1990 Rothman's Cricket Series") and control subjects to a match without cigarette sponsorship. The only significant effect found was that treatment subjects subsequently had a higher "awareness for Rothman's" than did a control group. No significant impact on attitude towards smoking was found.

Some papers have focused on awareness levels "that a company is a sponsor". Wright (1988), for example reports awareness levels for sponsors of different football (soccer) teams in Great Britain. Time series data are provided which demonstrates the various awareness levels over time.

Rajaretnam (1994) reports the findings of a "unique experiment" in which a large Indian tire maker stopped all product message advertising and spent almost its entire marketing budget on sponsorship from 1984-1987. While the author does not consider in detail other potential factors impacting awareness and image variables (e.g., increased

distribution and word of mouth), the numbers are impressive. During the period of the "experiment," top of mind awareness went from 4% to 21%, which is a 425% increase. Unaided recall went from 38% to 68%, and aided awareness went from 92% to 99% (p. 65). The author notes that while the impact of sponsorship on awareness was "almost immediate," the impact on brand preference took a longer time.

One paper attempted to address determinants of sponsorship awareness. Hansen and Scotwin (1995) reported that in an experimental setting, those interested in soccer (measured) had higher awareness of the team sponsors than did those who were not interested. The authors, however, did not report whether these differences are statistically significant.

Other impacts of sponsorship have also been reported such as beliefs about the company. Javalgi et al. (1994) studied perceptions of five local companies and awareness of their sponsorship activities. They hypothesized that persons who are aware of corporate sponsorship have a more favorable view of the sponsoring company than persons who are unaware. This was not supported. Awareness of the sponsorship activity was only related to the statements "is involved in the community" and "only wants to make money" (reversed), and neither was significant overall. "Is involved in the community" was significantly correlated with awareness of sponsorship for only one of the five companies.

In a study which did not directly involve sponsorship, Nebenzahl and Jaffe (1991) found that evaluation of Korean products by Israeli consumers was higher after the 1988 Olympics in Seoul than it was before the games among heavy Olympic viewers, but not among a low viewing "control" group. This suggested to them that an association with the Olympic games had raised people's evaluations of Korea and in turn Korean products.

Another impact of sponsorship reported in the literature is purchase intention. In a survey of consumers, Gardner and Shuman (1987) asked people what they perceived to be the impact of sponsorship on their purchasing behavior. Fifty-three percent of respondents said that sponsorship makes them more likely to buy. Eight percent of respondents said sponsorship makes them less likely to buy, and 39% said it had no impact.

Another topic which has received some attention in the sponsorship literature is the concept of "ambush marketing" (Sandler and Shani, 1989; Meenaghan, 1994). Sandler and Shani (1989) identify and define ambush marketing as a practice whereby a non-sponsoring brand tries to associate itself with a sponsored event. This is done to either gain the benefits of being associated with an event without paying for the privilege, or to limit the impact of a competitor's legitimate sponsorship effort.

Their research found that ambushers did achieve greater false awareness of being sponsors than did non-ambushing, non-sponsoring companies.[1] The ambushers, however, did not approach the awareness levels achieved by the actual sponsors.

Meenaghan (1994) defines various types of "ambush". He outlines several ways legitimate sponsors might prevent negative effects of such actions. He concludes by presenting the question of whether "ambush" is moral. The answer to this question, he proposes, is a matter of both the form the ambush takes and "one's perspective".
The final issue addressed in the extant sponsorship literature relates to how sponsorship actually works. Most of the papers which address this issue rely almost exclusively upon

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[1] As measured by recall data, the combined recall-recognition measure showed no difference.

anecdotal evidence drawn from colorful examples (Hastings,1984; Meenaghan, 1991b; Thomas, 1985; Crowley, 1991; Parker, 1991; McDonald, 1991; Otker, 1988; Ryssel and Stamminger,1988; Schoch, 1994; Walshe and Wilkinson, 1994). They have titles like "Professional Football Sponsorship--Profit or Profligate" (Thwaites 1995) and "Arts sponsorship: Harmony or discord?" (Wolton 1988). While there is little formal conceptual development, construct definition or theory, they do contain a good deal of intuition about the processes involved. These papers are drawn upon heavily for examples of constructs proposed in the following chapters

CHAPTER TWO

SPONSORSHIP WITHIN A BROADER CATEGORY OF COMMERCIAL ASSOCIATIONS

As alluded to in the introduction, sponsorship is not unique as a commercial endeavor which seeks to associate two things. The core idea behind brand extension, for example, is that a new brand can sometimes benefit from an association with an existing brand. Likewise for celebrity endorsers, an underlying assumption is that the brand can sometimes benefit from being associated with a human being. Other areas of study in marketing which involve commercial associations include co-branding (O'Connor, 1996; Carpenter, 1994), the use of one brand as an ingredient in another (Park, Jun and Shocker,1996), "brand alliances" (Rao and Ruekert, 1994), and retail brand assortment (Laforet and Saunders, 1994; Bawa, Landwehr and Krishna, 1989; Bultez et al., 1989). There is even anecdotal evidence of the importance of customers as commercial associates in terms of providing prestige (Smith and Park, 1992).

The two areas which have received the most attention in terms of understanding the impact of such associations on consumers are the brand extension and celebrity endorsement literatures. While brand extensions and celebrity endorsers share with sponsorship issues related to association, they also differ in some conceptually important ways. The goal of this chapter is to fit sponsorship into a larger framework of commercial associations. Due to the different assumptions about the underlying mechanisms of brand

extension and celebrity endorsers, the issues addressed in this chapter are limited to the very basic, "common denominator" issues and predictions.

Since the goal is to set up a broad understanding of commonalties among commercial associations, the level of precision in this chapter is predictably broad. The propositions put forth here, therefore, are also predictably broad. The specific details of how sponsorship is likely to function, as well as detailed predictions about main effects and moderators are left for later chapters.

In order to facilitate discussion of broad issues relating to commercial associations, it is necessary to introduce a bit of vocabulary. In the discussion below, "associate" can refer to either member of an association. For example, a brand can be an associate of a celebrity, and a celebrity can be an associate of a brand. "An associate of" simply means that an object is associated with something else. "Acceptor," however, refers to the object which an association is attempting to help. In celebrity endorsement, the acceptor is usually the brand being associated with the celebrity. In a brand extension, the acceptor is the new brand which is being associated with the old one. The "provider," on the other hand, is the object or person providing the help. In celebrity endorsement, the celebrity is usually the provider. In a brand extension, the preexisting brand is the provider.

Perhaps the most basic premise, across domains of commercial associations, is that the more desirable the provider, the more beneficial the association will be to the acceptor. Aaker and Keller (1990), for example, find that in the brand extension domain the higher the quality of the core brand (the provider) the better the consumer acceptance of the extension. Sunde and Brodie (1993) obtain similar results. Likewise, in the celebrity

endorser domain, Kahle and Homer (1985) find that the better (more attractive) the provider (the endorser) the more the acceptor (product) is liked. This same effect has been found when the provider is a speaker, and the acceptor is an argument (Horria, Naccari and Fatoullah, 1974; Chaiken, 1979).

As stated above, there are many different mechanisms through which provider quality impacts acceptor quality. The specifics of these mechanisms are discussed in future chapters. In the most general terms, however, it can be proposed:

P1: The more highly regarded the event, the more highly a consumer will evaluate the sponsor.

P2: The more well liked the event, the more well liked will be the sponsor.

An equally frequent finding in the literature in commercial associations is that the more qualitatively similar the two associates, the more benefit will come to the acceptor from the association. Aaker and Keller (1990) find this to be true in the brand extension domain. Beyond simple qualitative similarity, however, they define fit dimensions along which extended brands (acceptors) may match up with the original branded product (provider). Specifically, they find that if the acceptor is a complement of, or a substitute for, the provider, the acceptor will be better received. Similarity between provider and acceptor, however, can take place at a much higher level of abstraction. Park, Milberg and Lawson (1991), for example, find that extensions work best when both core brand and extension are either prestige or functional in nature. Benefits to the acceptor of qualitative similarity with the provider have also been frequently demonstrated for

celebrity endorsers (Speck, Schumann and Thompson,1988; Misra and Beatty, 1990; Frieden, 1984).

The details of how different kinds of similarity can impact sponsorship receive detailed coverage in chapter five. By adhering to the goal of fitting sponsorship into the broader category of commercial associations, however, the above findings on the impact of similarity between providers and acceptors lead to the following general proposals about sponsorship:

> **P3: The more a sponsor is like an event, the more positively consumers evaluate the sponsor.**
>
> **P4: The more a sponsor is like an event, the more positive affect is generated about the sponsor through the association.**

A third, extremely common finding in the commercial association literature is the interaction between quality of provider and associate similarity. In general, it has been found that the fit between associates interacts with the positive relationship between the quality of the provider and the evaluation of the acceptor. Aaker and Keller (1993) for example, conclude that high quality brands can be stretched farther and extended into more dissimilar categories" (p.56). Broniarczyk and Alba (1994) "agree that, all things being equal, the best scenario for success involves extension of a highly regarded brand to a very similar product class." (pg. 215).

With regard to brand extensions, Keller and Aaker (1992) state that "when similarity is very low and the extension seems to be very unrelated to the core brand, extensions will not be evaluated favorably regardless of the nature of the core brand associations because those associations will not be seen as relevant to judging the

extension…That is, the perceived quality of the core brand influenced brand extension evaluation only when there was some basis of fit between the core brand and proposed extension products" (p. 37).

Sheinin and Schmitt (1994) find complex interactions between brand affect, category breadth, and attribute congruity between the original and the extended brand. Sunde and Brodie (1993) find that consumer acceptance of a brand extension will be higher if the original brand is of high quality and there is a perceived fit between core brand and extension.

McCracken (1989), in the context of celebrity endorsers, points out that the ability of celebrity endorsers to act as providers for a brand comes from the cultural meaning with which they are endowed. His argument is that if an endorser does not fit with a brand, there will be no overlap in cultural meaning and, therefore, no positive impact upon the acceptor.

Perhaps the best example of the interaction between quality of provider and associate similarity in the domain of endorsers is found by Friedman and Friedman (1976). They investigated whether the effectiveness of endorser-type is dependent on the type of product being endorsed. They find a significant product by endorser-type interaction such that ads for jewelry were evaluated highest when done by a celebrity, whereas ads for cookies were better received when done by a homemaker. Thus, the study seems to show the importance of the fit between endorser and product type.

The common finding of an interaction between provider quality and associate similarity leads to the following proposal for sponsorship:

P5: The impact of perceived quality of an event on evaluation of, and positive affect toward, a sponsor depends upon the level of fit between sponsor and event. High fit facilitates the impact of event quality, whereas poor fit impedes it.

The commercial association literature also provides evidence of many moderators of the impact a commercial association may have. Examples include previous associations, arousal, symbolic value, type of good, and priming. Each of these topics is considered below.

In the case of previous associations, Walker, Langmeyer and Langmeyer (1992) find that previously unendorsed products (bath towels and VCRs) "pick up" more of the personality of the endorser than does a previously endorsed product (jeans). This suggests the possibility of the following propositions for sponsorship:

P6: Brands in product classes which have not previously engaged in sponsorship form stronger associations in the minds of consumers than brands in categories where sponsorship is common.

P7: Brands which have not previously engaged in sponsorship form stronger associations with events than brands engaged in multiple sponsorships.

Another moderator of commercial association effectiveness is arousal. Sanbonmatsu and Kardes (1988) find that high arousal causes an increase in the effectiveness of using a celebrity vs. noncelebrity endorser. Pham (1993) replicates and extends this finding. From these results it is possible to develop the following propositions:

P8: Events which are highly arousing cause higher evaluation of more positive affect for a sponsored brand than do equally evaluated events which are less arousing.

Given the intrinsically more arousing nature of live events over televised ones,

P9: The differential effect proposed in P8 is greater for live spectators than for people who watch an event on TV.

Another moderating factor of commercial associations is the symbolic value of the provider. In general, providers with greater symbolic value are more capable of having an impact on the acceptor through the association. This is the foundation for many of the ideas put forth by McCracken (1989) with regard to celebrity endorsers. In the context of brand extensions, Reddy, Holak, and Bhat (1994) propose that brands with high "symbolic value" will be more readily extended than others. Using statistical analysis on time series sales data, they find evidence that highly symbolic brands extended better than less symbolic brands. This is true using both expert ratings of symbolism and consumer ratings of symbolic value. From these findings in the general area of commercial associations, it can be argued that for sponsorship,

P10: The higher the symbolic value of an event for a consumer, the more impact the association will have upon the evaluation of the sponsoring brand.

The type of good involved as the acceptor has also been shown to impact the outcome of an association. Smith and Park (1992) find that in general, brand strategy (use of extensions vs. not) accounts for only 4% of market share, whereas for goods with mostly experience attributes it accounts for 9% of the variance (p. 309). This increase in the impact of brand extension upon share for experience goods over all

goods indicates that experience goods may be more susceptible to the impact of commercial associations than are search goods. In the context of "brand alliances" Rao and Ruekert (1994) "view the search-experience dichotomy as a continuum" (p. 95). They give examples of how brand name ingredients in food products which are likely to affect taste are better "brand alliances" than are alliances involving products with mainly search attributes. These studies seem to indicate that experience goods may be more easily impacted by commercial associations than are search goods. Therefore it can be proposed:

> **P11: All else being equal, sponsorship will be more effective for brands with more experience attributes and fewer search attributes.**

> **P12: Brands which are considered credence goods will be more greatly impacted by sponsorship than will search or experience goods.**

One final issue needs to be touched upon in this review of the commercial association literature. That is the issue of the acceptor having a negative impact upon the provider. Aaker (1990) notes that risky associations may backfire and gives examples of several notable cases where a failed brand extension actually harmed the image of the core product. Dawar and Anderson (1994) propose and find evidence that "an extension to a particular product may make it more difficult for the brand to extend in a different direction in the future" (p. 124). Loken and Roedder John (1993) explain how a dilution effect (harming the provider) occurs under a "bookkeeping model." This bookkeeping model dilution effect will occur for extensions which have attributes that are incompatible with the image of the core brand. They note that this can be avoided if

the association can be perceived as either an anomaly or a separate category. With regard to sponsorship, therefore, it can be proposed:

> **P13: Effects of an event/brand association can impact the event as well as the brand.**

The goal of this chapter was to provide a conceptual framework for commercial associations. The similarities in findings from celebrity endorsement, brand extension and other commercial association literatures were presented. Likely implications of these common findings for sponsorship were given as formal propositions. Overall, this chapter has demonstrated the ways in which sponsorship is like other commercial associations. The unique aspects of sponsorship and their likely impact on brand equity and positioning are provided in the following chapter

CHAPTER THREE

THE POTENTIAL IMPACT OF SPONSORSHIP ON BRAND EQUITY AND POSITIONING.

As stated in the introduction, with sponsorship, the "association is the message." There is no argument with which to measure agreement, no claims, attributes or benefits on which to measure recall. It seems appropriate, therefore, to examine marketing variables which may be affected by sponsorship and which do not rely entirely upon formal argument. Two such variables are brand equity and brand positioning. The goal of this chapter, therefore, is to investigate what sponsorship can do. It does not deal with how it does it nor when it will work best. These issues are addressed in subsequent chapters.

While the complex associative mechanisms through which sponsorship may impact brand equity have received little attention to date, the act of associating a brand with "a socially intrusive activity possessed of its own personality in the eyes of the receiving audience" (Meenhaghan, 1991b, p. 8) should certainly be able to impact the things one associates with a brand. This is relevant because several authors have conceived of brand equity as consisting largely of brand associations.

For instance, Keller (1993) describes what he calls "customer-based brand equity." He defines this as "the differential effect of brand knowledge on consumer response to the marketing of the brand" (p. 1). The keys to this effect, according to Keller, are familiarity with the brand and holding favorable, strong, and unique brand associations in memory

He goes on to propose that marketing activity can enhance or maintain the favorability, strength, and uniqueness of a brand. Given an association-based definition of brand equity:

> **P14: Significant sponsorship activities are capable of impacting a brand's equity.**

In his book on managing brand equity, Aaker (1991) devotes a good deal of time to explaining the importance of associations to brand equity. With regard to this importance, he suggests that "the association not only exists but has a level of strength. A link to a brand will be stronger when it is based on many experiences or exposures rather than few. It will also be stronger when it is supported by a network of other links" (p. 109). Clearly, then , by Aaker's definition as well, sponsorship associations should sometimes be able to affect brand equity.

It should be noted, however, that Aaker has not endorsed the ability of sponsorship to impact brand equity through building favorable associations. In fact, he states that "the primary role of most event sponsorship is to create or maintain awareness" (p. 75). Given, therefore, that sponsorship receives but a single line in the book, it does not seem likely that Aaker had fully considered the ways in which sponsorship might impact upon brand equity in great detail.

Other definitions of brand equity take a slightly different perspective. Simon and Sullivan (1993), for example, have proposed a model of brand equity based upon market valuation of the stock equities of corporations with substantial brand assets. Similarly , Farquhar (1989) defines brand equity as "the 'value added' with which a given brand

endows a product"(p. 24). He notes that Coopers and Lybrand calculate brand equity by comparing the premium price paid for a branded product compared to a generic one. It should be noted that while these definitions focus on the economic value which comes from brand equity, they do not preclude an associative component in their formation.

In fact Farquhar et al. (1992) propose ways in which the economic value of brands can be maximized and exploited through management of associations. They develop the concept of "master brands" which are very exploitable. They define these "master brands" as those brands which "own an association." That is, when the associate is mentioned, the brand comes to mind. While the associates used in most of the examples are product categories, they acknowledge that "other types of brand associations include celebrity endorsers, *sponsored events*, geographic affiliations, user groups, etc." (pp. 32-33, emphasis added).

In addition to specifically including the management of commercial associations as an important component of brand equity management, they provide insight into methods of measurement. They suggest that associations can be determined through free associative tasks, projective methods, and focus groups. They also claim that the process of building brand equity consists of developing favorable associations, making these associations accessible, and developing "points of difference" which can be easily remembered by consumers.

These ideas have clear implications for sponsorship. In addition to the awareness building contribution of sponsorship to brand equity, it seems feasible that more complex associative mechanisms might be able to play a role as well. It should be possible to develop functional forms for the impact of sponsorship on brand equity. These might

measure or manipulate magnitude, accessibility and relevance of associations between brand and event, and use these variables to predict impact on brand equity in a variety of situations. Specific possibilities are explored in later chapters.

Another critical marketing goal upon which sponsorship may have an impact is positioning. One anecdotal account of a company using sponsorship to reposition their brand is Tanqueray gin. Tanqueray decided to sponsor the "California AIDS Ride," a bicycling event which raises money for AIDS (New York Times, July 24,1995). Tanqueray was in the process of trying to reposition the brand away from being a classic martini component for the 50+ crowd, toward being a more versatile beverage for the 25-40 crowd. They saw sponsorship of the AIDS Ride as a bold way to associate themselves with an issue of great importance to their new target market.

Several authors have described brand positioning mechanisms which may be susceptible to the influence of sponsorship associations. Blackston (1995), for example, conceives of repositioning as a change in brand meaning. He asserts that because value depends on the meaning, changing brand meaning is equivalent to changing the value of the brand. He proposes a brand relationship model where the objective brand is distinguished from the subjective brand. He defines the "objective brand" as consisting of a set of associations, images and personality characteristics. Within this framework, changing the set of associations should change the meaning of the brand and, therefore, change its positioning. In cases where associating a brand with an event leads to a change in the mix of brand associates, sponsorship should be able to aid in the repositioning of a brand.

Park, Jaworski, and MacInnis (1986) have conceptualized positioning as management of "brand image." They present a framework for managing brand image at different times in a brand's life cycle. They define brand image as "the understanding consumers derive from the total set of brand-related activities engaged in by the firm" (p.135). They stress the importance of various brand associations on brand image, stating that "each element of the (marketing) mix can affect the inferences consumers develop about the brand" (p. 138). Therefore,

> **P15: Whenever sponsorship of an event causes a change in the associations a consumer has with the brand, brand image changes, and positioning within multidimensional space is altered.**

Crawford (1985) proposes that the primary function of product positioning is to differentiate among products. He defines a product positioning typology in which three things, product features, benefits, and surrogates, can be used for positioning. Of relevance to sponsorship is the "surrogates" positioning strategy. He lists "coming from respected source" or "endorsed by a respected personality" as tactical means to employ a surrogates positioning strategy. While sponsorship is not mentioned per se, it seems reasonable that an association with a respected event or organization should also aid one's surrogate positioning strategy. Therefore,

> **P16: To the extent that a sponsorship represents a unique association, it is exploitable as a differentiating positioning strategy.**

Finally, DiMingo (1988) points out that product positioning is a process of distinguishing one's company or product from competitors along real dimensions which

are important to customers. By his definition, there is no "ideal" position for all brands. Positioning must be based upon advantages of the brand. He contends that these advantages should be communicated through a consistent, integrated communications strategy involving brand name, packaging, and advertising. While he does not specify a role for sponsorship, the idea that positioning should be used primarily for differentiation from competition suggests that to the extent to which a sponsorship represents a point of differentiation from competitors, it will be an effective positioning tactic.

This can be formally stated as:

P17: Sponsorship will have a greater impact on perceived brand positioning when there is less competitor sponsorship of similar events.

This chapter has examined the marketing variables which may be affected by sponsorship. Specific proposals about the impact of sponsorship on brand equity and positioning were presented. The mechanisms through which sponsorship can effect these variables, however, was not addressed. This issue is covered in the following chapter.

CHAPTER FOUR

SEVEN MECHANISMS THROUGH WHICH SPONSORSHIP MAY WORK

Almost no conceptual or empirical studies have, thus far, addressed "how sponsorship works." It is the contention of this dissertation that at least seven distinct mechanisms exist through which sponsorship may function. As proposed in the previous chapter, these mechanisms may impact brand equity and brand positioning. They may also impact other relevant marketing variables of interest. These mechanisms are not hypothesized to be exclusive of one another. Two or more of them may function in any given sponsorship association. Together, however, they are proposed to represent a reasonably complete set of "the ways sponsorship works."

The simplest way to order these mechanisms is by the amount of cognitive elaboration which is required by a consumer for the mechanism to function. In approximate order of necessary cognitive elaboration, they are simple awareness, affect transfer, image transfer, affiliation, implied size, implied endorsement, and reciprocity. The relationship of the mechanisms depicted in Figure 1 below.

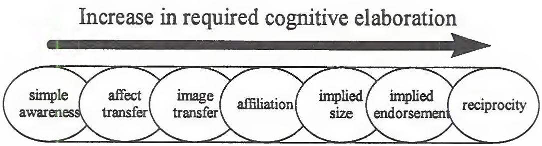

FIGURE 1

RELATIONSHIP BETWEEN THE SEVEN MECHANISMS

The only of these mechanisms to receive significant direct acknowledgment are simple awareness, affect transfer and, to a lesser extent, image transfer. Evidence for the existence of the affiliation, implied size, implied endorsement, and reciprocity mechanisms is largely intuitive and/or anecdotal. The seven mechanisms are described below. Propositions related to the main effects of these mechanisms are also provided. Potential moderators of these mechanisms are provided in later chapters.

Simple Awareness

> *For who is going to buy a product or service from a company that one has never heard of?* Wright (1988, p. 104)

Awareness, as a mechanism through which sponsorship is likely to function, is widely accepted by practitioners and academics alike. A typical explanation of how this mechanism might function is as follows. A consumer goes to an event or watches it on TV and is "exposed" to the brand name. Since repeated exposure to an object has been found to lead to positive affect toward the object (Zajonc 1969), the consumer feels better about the brand. This good feeling then has all sorts of benefits to the brand, including,

but not limited to, greater attention paid to subsequent commercial communications (or less counterarguing, see Pracejus, 1993), and greater chance of inclusion in the consideration set. While there is little doubt that such things take place, to end here with awareness ignores the rich possibilities involved in the association. In short, if simple awareness were the only mechanism in operation, then it would, for example, make no difference whether a brand name was seen on the side of a race car or on the side of a barn.

As mentioned above, there is little doubt that awareness functions as an important mechanism in sponsorship. Examples of simple awareness, however, where there is little or no chance of cognitive elaboration are not easy to cite. One which comes close is the practice of soft drink bottlers paying for convenience store signage, provided it prominently displays the appropriate brand logo. This example meets the criterion for simple awareness because of the low likelihood of elaboration by a store patron as to the origins of the large "Coke" logo on the "ABC Beverage" sign. Even if there were some attribution on the part of a customer, it is unlikely that he would have enough involvement with the store to care that the owners received a new sign courtesy of the local Coke bottler. The most likely impact (if any) is that the customer may have high top of mind awareness of "Coke" as he faces his soft drink selection. There is little or no difference between the logo appearing on the sign or on the side of a nearby building. The only thing accomplished is simple awareness of the brand name.

Despite the relative simplicity of this mechanism, two basic propositions can be offered. Given the reasonably well established mere exposure effect,

P18: The more frequently a sponsored brand name is encountered by a consumer in the context of an event, the more positive feelings s/he has toward the brand.

P19: The effect of P18 is greater for less familiar brands than for more familiar brands.

Affect Transfer

Affect transfer in a sponsorship context is analogous to affect transfer in an advertising context, whereby one's attitude toward the ad "transfers" to one's attitude toward the brand, with little cognitive mediation (MacKenzie, Lutz and Belch 1986; MacKenzie and Lutz 1989). As a mechanism through which sponsorship may function, affect transfer refers to positive feelings toward an event transferring to the sponsoring brand through the sponsorship association. This mechanism requires no real cognitive elaboration. It does not even require conscious awareness of the association, although such an awareness might be beneficial to the transfer taking place.

Affect transfer is a mechanism which has received some mention in the sponsorship literature, although much of it is rather vague. In a paper which reports significant differences in demographic and lifestyle variables among several Hallmark events (major city-wide destination events), Roslow, Nicholls and Laskey (1992) note that, "Hallmark events are attended by diverse audiences who have come together to enjoy a specific experience or entertainment. This heightened level of expectation may provide a more beneficial exposure content than traditional media" (p. 54). They elaborate that, "It is probable that this form of promotion would benefit the advertiser from increased levels of excitement and interest associated with Hallmark events" (p. 58). These authors seem to

be proposing that the positive affective responses to the "Hallmark event" may transfer to the sponsoring brand.

Crimmins and Horn (1996) also address the idea of affect transfer. They discuss the transfer of positive feelings from the event to the brand in terms of Heider's (1946) "elementary human calculus." They posit that, given the relative weakness of many brand beliefs, the impact of associating a lowly regarded brand with a highly regarded event should usually lead to an upward estimation of the brand. While this seems plausible, the authors provide no data to support the assertion. The idea, however, is that the "positiveness" of the event can transfer to the sponsor.

Stipp and Schiavone (1996) attempt to demonstrate that attitude toward the Olympics can actually "rub off" onto Olympic sponsors. Through multiple regression, they find that attitude toward Olympic sponsorship in general has a significant impact, net of ad recall and ad evaluation, upon the sponsor's image. While this provides some support for the affect transfer mechanism, it should be noted that the survey methodology employed somewhat stacked the deck in favor of their finding.

Respondents were first asked a series of agree-disagree statements like "official Olympic sponsors provide money to: Help athletes train, Make it possible for the American teams to go to the Olympics, . . ."(p. 24). Setting up the survey with these questions at the front end certainly had the potential to bias responses toward a strong association between attitude toward sponsorship and attitude toward a specific sponsor (a demand effect).

Indication of an affect transfer mechanism is also found in other commercial association domains. In the context of celebrity endorsers, for example, Misra and Beatty

(1990) found that the transfer of affect from spokesperson to brand was facilitated when the two were matched. In the domain of brand extensions, Rangaswamy, Burke and Oliva (1993) propose "affect transfer through categorization" as a method by which utility of the brand name impacts utility of the product.

Affect-transfer-like mechanisms are also found in the retail assortment domain. Jacoby and Mazursky (1984), in a factorial design, associate high and low quality brands with high and low quality stores. They attempt to determine how differential affect (i.e. positive affect toward one, negative affect for another) in the associate pair interact. Weak support is found for an averaging process.

Like simple awareness, the cognitively simple mechanism of affect transfer allows basic propositions to be made:

P20: The more positive the affective response to the an event, the more positive the affective response to a sponsoring brand.

P21: The stronger the associative linkage between the brand and the event, the stronger is the impact posited in P20.

Image transfer

The aim of sponsorship is image transfer: the transfer of the personality, aura and competence . . . to the brand Ryssel and Stamminger (1988, p. 111)

While affect transfer is the process of assigning event-based affective response to the brand, image transfer refers to the assignment of abstract associations of the event to

the brand. Image transfer is the mechanism requiring the least cognitive elaboration in which the association can be formally stated as a message. The message of image transfer is that, along some dimension, "this brand is like this event."

The idea that the image, or personality of an event can impact upon the image or personality of a brand has been alluded to several times in the context of sponsorship. Parker (1991), for example, describes the relationship between sponsorship and brand image. Marshall and Cook (1992) found that 14% of respondents listed "image of sport" as the most important determinant in selecting an event to sponsor. Wolton (1988) contends that art sponsorship is used to alter or modify the image of a company, lending a human face to cold, technologically-oriented companies, and providing a positive association with companies such as insurers which are usually associated with unpleasant situations.

McDonald (1991) describes what he refers to as "product relevance" (p. 36) which can be either direct or indirect. Indirect relevance is proposed to imply association at an abstract, more image-based level. A strong and traditional bank sponsoring the traditional sport of football (soccer) is given as an example of indirect relevance, where the link is "tradition." Relating back to the discussion above, in this example the message would be that this bank is like the soccer league in that they are both traditional.

Perhaps the best anecdotal evidence of how the image transfer mechanism might be used for a specific marketing objective, like repositioning a brand, is given by Meenaghan (1991a). He states that sponsorships can achieve specific objectives through what he calls the "image by association effect"(p. 42). He gives as an example of how a "very American" company, Gillette, was made to seem "more British" through its

sponsorship of cricket, a traditionally British sport. He also cites the case of IVECO trucks, which were viewed as weak European vehicles, compared to more macho, American trucks. Through a sponsorship of the "macho" sport of heavyweight boxing, IVECO was able to shift this image in a highly successful way.

The image transfer mechanism is also found in other domains of commercial association. In the context of celebrity endorsers McCracken (1989), points out that the cultural meaning with which celebrities are endowed is the root of their success in product endorsement. Clearly from his arguments, the image of the celebrity (and the meaning of this image within the culture) are key to an effective "meaning transfer" process. This process of transferring meaning from the celebrity to the product is more complex than explanations which consider attributes of a celebrity, such as credibility and attractiveness, as unidimensional, linear constructs.

In an empirical study of a transfer mechanism, Walker, Langmeyer and Langmeyer (1992) have subjects rate brands and endorsers along several abstract dimensions. They compare before association scores with after association scores along these dimensions to see how products "pick up" some of the personality of the endorser. They find that previously unendorsed products "pick up" more of the personality of the endorser than did a previously endorsed product This leads to the following testable proposition with regard to image transfer in sponsorship:

P22: Brands involved in few sponsorship activities acquire more of the image and abstract associations of an event than brands which sponsor many events.

As mentioned previously within the brand extension domain, Reddy, Holak, and Bhat (1994) find that brands with high "symbolic value" extend better than brands with low symbolic value. Given that in the case of sponsorship, the brand is the acceptor, one might expect that brands with high symbolic value already would be less likely to have the image of the event transferred onto them. Therefore it can be proposed:

P23: Transfer of image from event to brand takes place more easily, and with greater magnitude, for low symbolic brands compared to high symbolic brands.

Within the domain of combined brands Rao and Ruekert (1994) discuss how an averaging model of attribute levels would lead to a zero sum game in which brand alliances would be almost impossible to arrange. They argue in favor of a "maximum rule" whereby the "combined brand" may receive the higher of the two brand perceptions on each dimension. An example of this is the association between Lays potato chips and KC Masterpiece barbecue sauce. While the combined brand gains the desired associations of "tangy" and "hickory smoke flavor" from KC Masterpiece, an average "crispness" between the chips and the sauce is not perceived. Crispness remains at the higher of the two levels, the level of regular Lays. This leads to the following proposition for the domain of sponsorship:

P24: Due to a "maximum rule," brand images not fully congruent with an event will not cause appreciable harm to the image of the event.

In fact, anecdotal evidence of reverse image transfer without negative impact upon the brand has been cited. Jones and Dearsley (1989 cf. McDonald, 1991) find that the

image of football (soccer) was actually improved by a sponsorship by Barclays Bank during a time when football was receiving a lot of bad press. Apparently this association transferred "stability" from Barclays to the soccer league without transferring "rowdiness" to Barclays. Perhaps positive associations are more easily transferred than negative ones. This is certainly an interesting empirical question for future study.

Affiliation

Affiliation, like image transfer, can be stated as a message. The message of the affiliation component of an association is that this brand "is for people like me." The primary requirement for the functioning of this mechanism is that the event be perceived as "for people like me." The more this statement is perceived to be true, the more the message about the brand being "for me" will be facilitated.

While there is no formal conceptual development of the way affiliation might function as a mechanism of sponsorship effectiveness, some authors have hinted at the idea. Meenaghan (1991b), for example, points out that "the (sponsorship) message is delivered by association with a socially intrusive activity" (p. 8). Parker (1991) posits that today's consumers, in addition to demanding products with desired attributes at a reasonable price, also seek products which are "for people like me." Sponsorship, he proposes, is uniquely suited to helping a brand achieve the perception of being "for people like me." No further development of these ideas, however, is presented by either of these authors.

There have been several studies of the impact of strong, social affiliations such as political affiliations (Ellen, Wiener and Cobb-Walgren, 1991) and ethnic affiliations

(Deshpande, Hoyer and Donthu, 1986) on consumer behavior. At a broader level, Westbrook and Black (1985) find that "desires for affiliations with others" is an important determinants of some people's shopping behavior. In addition to these general impacts of affiliation with a group on consumer behavior, the possibility that an affiliation with a brand or organization can be beneficially developed through the use of marketing variables has been explored.

Macchiette and Abhijit (1992) describe "affinity marketing" as the use of group affiliation to produce a strong promotional program. The resultant "affinity groups" are said to have high levels of social bonding and cohesiveness. Members of affinity groups are also said to be are committed to the objectives of the group. The authors propose "marketing generated affinity" as one source of group centeredness.

An example of how marketing can take advantage of people's existing affiliations is the "affinity credit card." Such cards bear the name and symbol of an organization to which the card holder belongs. High levels of card holder loyalty have been claimed for these cards (Worthington and Horn, 1992).

Bhattacharya, Rao and Glynn (1995) investigate the correlates of social identification with an organization. By defining a museum as the product and members as customers, the study investigates the determinants of affiliation with the museum. They find that perceived prestige is positively correlated with one's affiliation with the organization. Visiting frequency is also found to predict affiliation. Finally, participation in similar organizations is negatively correlated with affiliation. Based upon these findings, it can be proposed that

P25: Affiliation with an event is positively correlated with perceived prestige of the event.

P26: Affiliation with an event is positively correlated with frequency of attendance.

P27: Affiliation with an event is negatively correlated with one's participation in other activities.

In a related area, the manipulation of "affiliation motivation" has been cited as a frequently employed advertising tactic (Zinkhan, Hong and Lawson, 1990). These authors content analyzed a sample of magazine ads from selected years between 1935 and 1985. They found that over the time period studied, affiliation motivational appeals increased in frequency. The authors contrast this increase with a decline in the use of "achievement appeals."

Implied size

The implied size mechanism also has a message which can be stated in words. The message of implied size is that "this company is big." The cognitive elaboration required for this mechanism to occur is considerably higher that those previously listed. A consumer has to, at some level, think to himself "this must be a big company to have this event named after it."

The idea that sponsoring an event can influence the perceived size of the sponsor has been examined and has received some empirical support. McDonald (1991) explored this possibility, but did not find evidence of an effect. He states, however, that the reason sponsorship did not appear to affect perceptions of size was that most of the companies studied were already clearly perceived to be very big and important (e.g.,

Phillips and Cadbury). He posits that had the sample included more smaller companies, an impact of sponsorship on perceived size might have been found.

Evidence that sponsorship can influence perceived size was found by Rajaretnam (1994). In the evaluation of the "unique experiment" where a tire maker spent almost its entire marketing budget from 1984-1987 on sponsorship, perceived size of company increased by 19.7% during the period. Perceived financial health of the company, a related measure, increased by 24.6% (p. 68). While this field experiment with no control group does not prove that sponsorship can impact the perceived size of the firm, it certainly allows for the following proposals:

P28: Event sponsorship influences the perceived size of a sponsoring firm.

P29: The larger the perceived size of the event, the greater is the impact of the sponsorship on the perceived size of the firm.

Anecdotal evidence of the size of the sponsor affecting the perceived size of the event have also been reported. Parker (1991) proposes that Mars' sponsorship of the London Marathon was the key to getting people to believe that it was a "real" event. The following can therefore be proposed:

P30: Sponsorship of an event by a large sponsor increases the perceived size of the event.

The marketing literature provides evidence of the benefits of perceived size. Kirmani and Wright (1989) propose three possible mechanisms through which perceived expenditure on advertising might lead to inferred quality. One is the notion that

confidence in quality leads companies to spend more on promoting a product. Another is a perceived relationship between promotional spending and quality in some markets. Finally, they cite the idea that "perceived advertising expense is a signal of a firm's financial strength, probable social acceptance or some other factor that defines quality in some markets" (p. 344). This last mechanism is closest to the idea of perceived size. The idea is that a company couldn't afford to sponsor a prominent event unless it is a large, stable company. The authors do not investigate the perceived financial strength possibility, however, stating that the "default attribution" is the "most interesting possibility and the one we pursue most directly in this research" (p. 346).

Following up this work, Kirmani (1990) proposes that perceived costs will be used as cues to quality when they are more diagnostic than other cues. She hypothesized that this should take place under low involvement with the product class. The hypothesis, however, was not supported. No effect of involvement was found.

Kirmani and Wright (1989) also list several "undermines" to the positive relationship between perceived advertising expenditure and perceived quality. They describe the "desperation undermine" as occurring when expenditures are so high that the consumer assumes that the company is desperate to move a bad product. The "immunity undermine" occurs when the consumer perceives that the company has nothing to lose, as is the case with a fly-by-night operation. The "no pain undermine" is said to occur when a high expenditure is perceived to be a small part of a company's budget. Finally, they present the "basic premise undermine" which occurs when a consumer is confronted with information which argues against the "default attribution."

While both Kirmani (1990) and Kirmani and Wright (1989) report evidence of an inverted "U" relationship between perceived advertising cost and perceived quality, whereby beyond a certain point, quality perceptions actually go down. The data reported in both cases could, however, simply reflect diminishing returns. Asymptotic functions could have produced the significant quadratic terms reported. Also, no means or least squared means were reported which might have shown the true shape of the expenditure/quality relationship.

While it is not difficult to imagine situations under which perception of firm size would have an impact on perceived quality, very little research has directly investigated this effect. Within the context of the banking industry there is evidence that perceived size of a bank can affect consumer beliefs about the likelihood of receiving a loan (Leonard and Spencer, 1991). In the arena of legal services, however, there is evidence to suggest that service providers believe perceived firm size to be more important than do clients (Gaedeke and Tootelian, 1988).

Given the results of this research, it can be proposed that

P31: The sponsorship impact on perceived size has a positive impact on perceived quality of the brand.

Implied Endorsement

The implied endorsement mechanism requires the most cognitive elaboration on the part of the consumer, save reciprocity. The message of the implied endorsement mechanism is "this brand must be OK, or people wouldn't participate in an event named

after it." The implied endorsement mechanism requires that, from a sponsorship association, the consumer infers that the event is somehow endorsing the quality of the brand. Several examples of this can be cited. Seiko's sponsorship of track meets at which it is the official timer is provided by McDonald (1991) as an example of what he calls "direct relevance"(p. 36). By direct relevance is meant that one might logically conclude that the official status of a sponsor implies some measure of quality.

Crimmins and Horn (1996) cite Visa and Seiko as brands which actually affected consumer perceptions of quality due to their association with the Olympics (as measured by DDB Needham's "SponsorWatch" service). Since Seiko was the official timekeeper and Visa was the only credit card the Olympics would accept for tickets, it seems that an implied endorsement may have led to the Olympic sponsorship success of these two brands.

For the implied endorsement mechanism to function, however, does not require some official sanctioning of the sponsoring brand. As long as a consumer infers that some minimum quality level is required before an event will let a brand sponsor it, the implied endorsement mechanism will be engaged. Usage of the brand at an event, however, should increase the likelihood of this type of inference. Seeing top pool players compete for large prizes on Brunswick tables, at the "Brunswick Shoot Out" for example, might cause some consumers to infer a level of quality for Brunswick tables.

It can therefore be proposed:

P32: Use of the brand in the sponsored event facilitates the inferences necessary for the implied endorsement to function.

P33: Having the brand name in the event name facilitates the inferences necessary for the implied endorsement to function.

The ways in which implied endorsement can impact perceptions, attitudes, and choice, have been well delineated in the source effects literature. Factors affecting the ability of a source to persuade include trustworthiness (Brehm and Lipsher, 1959), expertise (Petty, Cacioppo and Goldman, 1981), attractiveness (Landy and Sigall, 1974), and credibility (Birnbaum, Wong and Wong, 1976). While the literature on source effects is rich with predictive constructs, proposing the impact of these constructs in the context of sponsorship first requires some empirical investigation. For example, it is not known whether a credible or trustworthy event exists in the minds of consumers. If such things do exist, it is not obvious what the determinants of these source characteristics would be. Further elaboration on the role of source characteristics in sponsorship, therefore, requires prior empirical investigation.

Reciprocity

Reciprocity is the mechanism which requires the highest level of cognitive elaboration. The message of reciprocity is "the sponsor supports events you care about, so you should patronize the sponsor." The reciprocity mechanism is engaged when a consumer makes a conscious decision to go out of her way to support the brands that support the events which she cares about. While this may not be the most common response to sponsorship, it is certainly a powerful one.

Surprisingly, there is evidence to support that fans of certain events demonstrate significant reciprocity (or so they claim). Crimmins and Horn (1996) present what they call "gratitude" whereby the fan of an event goes out of his way to buy the products of an event sponsor. They cite a survey of NASCAR fans of whom 48% say they would

"almost always" purchase a sponsor's product over a closely priced competitor. Reported reciprocity for the Chicago Gospel Festival was even more impressive. As measured by "it makes me more likely to buy," fan reciprocity here was 82%. The authors go on to point out that it is unlikely to get these effects from casual observers or uninvolved spectators. Simply stated, they claim that "Fans are grateful for sponsorship. Others are not" (p. 17). From these observations, it is possible to propose:

P34: The more involved consumers are with an event, the more likely the sponsorship is to engage reciprocity.

Conclusion

Any attempt to study sponsorship must consider the multiple ways that an association of a brand with an event can impact consumers. Seven mechanisms and their psychological underpinnings were proposed and discussed in this chapter By breaking sponsorship into these component mechanisms, it becomes possible to posit and test how various aspects of a sponsorship association will impact success. Since there are multiple ways in which sponsorship may work, considering which mechanisms are likely to be engaged under various types of sponsorship associations allows many specific hypotheses to be developed and tested. Empirical testing of numerous hypotheses relating to how audience, event, and associational factors impact the functioning of these mechanisms is presented in chapters eight, nine and ten. A thorough exploration of one important associational factor, fit, is presented in the following chapter.

CHAPTER FIVE

DIMENSIONS OF FIT.

> *The better the fit of all elements, the better the chance that the sponsorship is effective, because the relations between the sponsor and sponsored activity are logical, natural, and easy to understand.* Otker (1988, p. 83)

The notion of "fit" is seemingly ubiquitous in the extant sponsorship literature.(Roslow, and Laskey,1992; Thomas,1985; Crimmins and Horn,1996; Otker, 1988; Walshe and Wilkinson, 1994). This chapter attempts to define fit between an event and a brand. "Generic" or respondent-reported perceived fit requires no development or investigation of elaborate antecedents and component structures. It is simply a measure of whatever a respondent thinks it is. Operationally, generic fit is measured by a subject's responses to a question like "how good is the fit between event X and brand Y." While this measure may be a bit crude, the importance of quickly getting a handle on the fit construct makes it useful.

A brief review of how the fit construct has been presented in sponsorship and other commercial association domains is reviewed. Other, more technically defined types of fit, such as "attribute fit," "audience fit" and "positioning fit" are then discussed and defined. The chapter concludes with a discussion of measurement issues.

Most sponsorship research refers to fit as the degree to which an association "makes sense." Walshe and Wilkinson (1994), for example, report that IBM's

sponsorship of a Pompeii museum exhibit was received much better than corporate sponsorship of the arts had typically been received up to that point. Because IBM was able to use its computers to bring a computerized archive of the dig into the museum, the attendees not only saw a fit between the exhibit and IBM, they actually were able to perceive a value added to their experience from the association. Negative reactions to the association (measured by polling attendees) were, as a result of the association making sense, much lower than negatives toward other similar art sponsorships.

Within the context of evaluating sponsorships, McDonald (1991) argues that "synergy" between the brand and the event is essential. He proposes that assessing synergy would be useful, as opposed to doing simple favorability tracking. He does not, however, specifically define synergy nor does he propose how to measure it.

The idea of "fit" is also found throughout the rest of the commercial associations literature. In the domain of brand extensions, Aaker and Keller (1993) define various types of "fit." They state that "it is clear that the interactive relationship between "quality" and the fit variables is sensitive to the levels of perceived quality and fit (in addition, possibly, to different types of fit)" (p. 56). These authors operationally defined fit to be the degree to which the brand extension is a substitute or a complement for the core brand. Such an operational definition, however, cannot be applied directly to the domain of sponsorship.

Broniarczyk and Alba (1994) reassert the importance of fit in brand extensions, stating "an assumption common to virtually all research, however, is that brand affect and *product category similarity* play important roles." (p. 214, emphasis added). They continue, "we agree that, all things being equal, the best scenario for success involves extension of a highly regarded brand to *a very similar product class*" (pg. 215, emphasis

added). They then qualify these statements by explaining that this is not news to brand managers, and that it misses the obvious differences in the "brand specific associations" which are not common to all brands within a category. While they go into some detail on why brand specific associations are an important consideration, they do not develop a method for determining the brand specific associations for each brand, and assessing their strength or importance.

Rather, they use pretests to identify brands with at least one strong, unique association. They then test to see whether these brands are more successful at entering product classes for which their unique associations are relevant than are brands which do not possess these unique associations. While the authors make a significant point about the unique associations possessed by brands (as opposed to categories), their method of seeking out brands with strong, unique associates still does not answer the question "what is fit?." It does, however, suggest that if both the provider and the acceptor posses the same strong and unique association, fit will be relatively high.

While specific antecedents of different kinds of fit are discussed below, the implications for sponsorship of the Broniarczyk and Alba (1994) study can be formally stated as:

> **P35: Perception of generic "fit" by consumers will be high when the event and brand share unique, salient attributes.**

Within the context of "composite branding alliances," Park, Jun and Shocker (1996) propose structural determinants of fit between two brands. Specifically, they propose that when the "header brand" (first brand in composite name) and the "modifier brand" (the brand which follows "by" in the name) have complementary attributes, and are

not seen as logically incompatible, the resultant composite brand will have a good likelihood of success. Key to their definition of "good fit" are complementary attributes which are not logically inconsistent. In other words, sharing attributes is not necessary. Here they argue that so long as the attributes are logically consistent, non-overlapping attributes help the combination. Implications of this idea are discussed in detail in the "attribute fit" section.

Fit has also received attention in the celebrity endorsement literature. While several empirical outcomes of fit have been documented, little attention has been devoted within this domain to defining or measuring things which lead to fit. Kamins and Gupta (1994), for example, found that increased congruence between the spokesperson and the product resulted in a more favorable product attitude. Speck, Schumann and Thompson (1988) found that when the endorser's relationship to the product is more obvious, information can be processed in a shorter time.

Ryssel and Stamminger (1988) report that Adidas has engaged in some interesting measurements of the perceived personalities of various tennis stars, and how these measures fit with the Adidas personality. They do not report in this paper whether or not they measure brand personality along similar scales to those used to evaluate the celebrity, but the article gives the impression that the company uses some sort of mechanism for comparing celebrity personality with brand personality for fit. This points out the interesting possibility that fit can include more abstract attributes, like personality characteristics.

Despite its frequency of mention in the above literatures, there has been almost no serious attempt to systematically define or measure the fit construct. There is little

detailed consideration of its potential antecedents, properties and consequences. There are few details on how one might measure it. The rest of this chapter represents a first step toward remedying this situation.

There are at least three kinds of (or approaches to) fit. While the three are likely to be highly correlated in many situations, there are reasons to believe that they have different impacts on the seven mechanisms discussed in the previous chapter. The three types are "attribute fit," "audience fit," and "positioning fit." This chapter first describes attribute fit in terms of various psychological constructs, such as similarity (Tversky, 1977; Tversky Gati, 1982) and categorization (Mervis and Rosh, 1982; Rosch, 1976) which give insight into possible antecedents, properties and consequences of attribute fit, as well as suggestions for its measurement. Audience fit and positioning fit are then presented. Issues relevant to their special impact on several of the seven mechanisms are discussed, as are issues related to their measurement. Specific predictions on how these types of fit impact the seven mechanisms, however, are left for a future chapter.

Attribute Fit

> *Although similarity is recognized as fundamental to marketing and marketing strategy, little attention has been paid to the way similarity judgments are produced.* Johnson (1986, p. 59)

Attribute fit is the most general type of fit. It is not specific to sponsorship in any way. All of the antecedents, properties and consequences are, in theory, as applicable to any other form of commercial association as they are to sponsorship. Attribute fit is defined as the degree to which two associates share common attributes, and do not

possess incongruous attributes. By attributes are meant associations with the brand or event which are commonly elicited in the minds of consumers when thinking about the event or brand. These associations can vary along a concrete-abstract continuum. An example of a concrete attribute shared by sponsor and event is "automotive." "Speed" is a more abstract association, and "macho" is more abstract still.

This definition closely resembles Tversky's (1977) definition of similarity, which increases with the addition of common features or the deletion of distinctive features. More will be said of the relationship between "similarity" and "attribute fit." First, however, possible antecedents of attribute fit are discussed.

One thing which should influence attribute fit is the frequency and recency with which two things are experienced together. Barsalou (1982), for example, investigated the ways in which context-dependent properties of an object might be made to be more context-independent. In other words, he explored how situation-dependent associates of an object can be generated more spontaneously. He found that repeated simultaneous exposure to the context-dependent property of an object can make the property more context-independent.

An example of a context dependent property which can be made to be more context independent is the ability of a basketball to float (Barsalou 1982). Most people, when asked to lists things associated with basketball would not list its ability to float. People who had frequently and or recently seen a basketball floating in a pool, however, would be much more likely to come up with this association. This leads to the following proposition:

P36: When attributes which overlap between event and brand are context dependent, exposing consumers to the relevant context increases attribute fit.

Sponsorship associations are likely to be a context-dependent "property" initially, but may, over time become context-independent. Initially, for example, Miller beer may be a context-dependent property of NASCAR. At this initial stage, one would expect Miller to cue NASCAR only when the sponsor is also cued, perhaps while one is watching a race. As the association becomes stronger (as might be the case for a serious fan who is spontaneously aware that Miller sponsors his favorite driver), Miller might become a context independent property of NASCAR. In this latter case, one of the spontaneous associations that comes to mind when this person free-associates about Miller beer would be NASCAR.

It therefore seems possible that

P37: High involvement with an event leads to greater spontaneous awareness for the brand-event association.

P38: Frequent attendance at an event leads to greater spontaneous awareness for the brand-event association.

P39: Recent attendance at an event leads to greater spontaneous awareness for the brand-event association.

In another study, Barsalou (1985) found that central tendency did not predict graded structure in goal-derived categories. Goal-derived categories are categories which are formed for a specific purpose, like assembling things to sell at a garage sale. From this example, it is clear that goal derived categories are often categories which are formed in

order to make sense out of a group of objects which could not easily be separated by preexisting, taxonomic categories. Barsalou found that frequency of instantiation predicted graded structure in both goal derived and taxonomic categories to a large and approximately equal extent. This provides evidence that, to the extent to which seeing a brand paired with an event leads one to create an "ad hoc category" (Barsalou 1983), in order to make sense out of what is being seen, frequently and recently seeing this brand-event pairing should enhance attribute fit. Noting the continuous nature of this relationship, Barsalou explains that the "strength of association is free to vary continuously as a function of how frequently and recently an association has been active in working memory" (p. 212).

P40: Frequent attendance at an event leads to greater salience of common attributes.

P41: Recent attendance at an event leads to greater salience of common attributes.

Markman and Gentner (1993) argue that mental representations (which could include degree of fit between two objects) are formed through "structural alignment" which is derived from analogical reasoning. They find support for the proposition that "the likelihood of a structural alignment between two stimuli is greater after a similarity comparison than before" (p. 435). It seems, then, that consciously considering the similarity between two objects can shift attention away from the obvious, surface dimensions of fit, to the more relational dimensions of fit. Since conscious consideration of the similarity between the sponsor and the event is something which may be facilitated

by communications, the details of this finding will be discussed in the "association-enhancing communications" chapter. If, however, one supposes that frequency of instantiation of the brand/event pairing might spontaneously lead people to "consider the similarity," then it may be possible that over several encounters with the pairing, not only is fit facilitated, but the more abstract, relational dimensions of fit might become more prominent. These ideas are formally stated:

> **P42: Frequent attendance at an event leads to greater increase in the salience of abstract relational common attributes than in the salience of more concrete common attributes.**
>
> **P43: Recent attendance at an event leads to greater increase in the salience of abstract relational common attributes than in the salience of more concrete common attributes.**

Within the broader research stream involving how people fit things into categories, Cohen and Basu (1987) suggest that "there is a real possibility… that the consumer environment favors category definition in terms of specific exemplars rather than category defining features…" (p. 470). This is in reference to a perceived uncertainty as to when categories will be defined by exemplars as opposed to being defined in a "probabilistic" fashion (see also Smith and Medin, 1981). The critical issue here is that because brands are not incredibly important to most people, the mechanism associated with categorizing brands is not likely to involve capacity-depleting probabilistic rules. This seems to suggest that when it comes to the fit between a brand and an event, the large bulk of the fit will be determined by a perceived match between exemplary attributes, with less of a role for attribute matches which do not immediately or spontaneously come to mind.

P44: Given people's low motivation to form associated brands and events into categories, attribute fit is determined primarily by overlap in chronically available attributes of the two associates.

Having explored several potential antecedents of attribute fit, possible properties of attribute fit are now considered. As mentioned above, the attribute fit construct is quite close in definition to Tversky's "similarity." It therefore seems appropriate to consider other properties of similarity which make sense in the context of attribute fit. One seemingly important fact is that Tversky (1977) generally argues that similarity should not be treated as symmetrical. He proposes and demonstrates, for example, that North Korea is perceived to be more similar to China than China is to North Korea. This is an example of a more general idea, that "the variant is more similar to the prototype than the prototype is to the variant, because the prototype is generally more salient than the variant" (Tversky, 1977, p.333). This has several implications for the perceived fit between sponsor and event.

P45: When the brand is larger (more salient) than the event, fit is perceived to be greater when the association is stated in the form of "the event fits with the brand" than "the brand fits with the event."

P46: When the event is larger (more salient) than the brand, fit is perceived to be greater when the association is stated in the form of "the brand fits with the event" than "the event fits with the brand."

It should be noted that similar results have been obtained in a marketing context. Johnson (1981) finds Shasta was judged to be more similar to Coke than Coke was to Shasta. Here again, asymmetries are demonstrated such that an object with many

distinctive features is judged as less similar to an object with fewer distinct features than is an object with few distinct features to an object with many. Put another way, a small (less salient) brand is perceived to be more similar to a big (more salient) brand than is the big brand to the small one.

Tversky (1977) also claims and demonstrates that at similar levels of salience, similarity asymmetry is reduced, or nonexistent. An example of this case is a comparison of the similarity between Hungary and Czechoslovakia. Since neither country represented a "prototype," the perceived similarity of Hungary to Czechoslovakia was about the same as was the perceived similarity of Czechoslovakia to Hungary. The implications for the perceived fit between sponsor and event is:

P47: For sponsors and events of equivalent perceived size (salience) there is little or no "fit asymmetry."

Another property Tversky (1977) finds for similarity is that it is not transitive. For example, while Cuba is similar to Jamaica (both Caribbean islands), and Cuba is similar to Russia (both Communist countries at the time) Jamaica is not perceived to be similar to Russia at all. While this seems incredibly intuitive in the context of countries, it may be less so in the context of the fit between sponsor and event.

For example, it seems entirely possible that a marketing manager might develop rough heuristics by which to evaluate potential sponsorship opportunities. One possible strategy might be to consider looking for other sponsors of events which his company currently sponsors, then examine which other events those companies are sponsoring. In fact, databases for sale to companies involved in sponsoring are set up to, among other

things, do this very thing (e.g., "IEG Sponsordex" software). While such a database might prove useful as a decision aid, it seems quite reasonable (and not unimportant) to propose that

P48: Attribute fit between sponsors and events is not transitive.

A final property of similarity proposed and demonstrated by Tversky is its relationship with "dissimilarity." Similarity has generally been found to be strongly negatively correlated with dissimilarity, but "people attend more to the common features in judgment of similarity than in judgment of difference" (Tversky, 1977, p.340). As a result, prominent pairs (e.g., East Germany and West Germany) are found to be more similar than non-prominent pairs (e.g., Ceylon and Nepal) in a similarity condition and more dissimilar than non-prominent pairs in a "dissimilarity" condition. This effect has also been demonstrated in a marketing context. Johnson (1981) finds that Coke and Pepsi are very similar in the context of similarity, and very dissimilar in a dissimilarity context. This suggests that

> **P49: When an event has many salient associations which are similar to associations of the brand as well as many salient associations which are incongruent, the magnitude of similarity depends on the frame (fit vs. lack-of-fit) such that the sponsorship association is perceived as having either high fit or high lack-of-fit.**

Before considering the consequences of attribute fit, it should be noted that similarity has received some criticism for representing at best an intermediate measure for predicting category membership, and at worst a midpoint in a circular argument. Murphy and Medin (1985) point out that "any two entities can be arbitrarily similar or dissimilar by

changing the criterion of what counts as a relevant attribute." They go on to present the use of similarity to explain categorization as analogous to citing "scoring more points than the opposing team" as a reason for victory in sports. The authors posit that rather than being a true determinant of conceptual coherence, similarity may be a mere "by-product" (p. 291). While the merits of this conclusion in the context of understanding category structure is debatable, the criticism seems less relevant to the issue at hand. As stated above, the process of evaluating fit between a sponsor and an event is likely to be only tangentially related to taxonomic category structure. For this reason, the usefulness of the similarity construct in the exploration of the properties of attribute fit seems to be reasonably whole.

In order to understand how attribute fit might moderate the seven mechanisms, it is first important to consider the direct consequences of attribute fit. As mentioned above, to the extent that sponsorship associations elicit an attempt on the part of a consumer to make sense of the association through a process of categorization, the categories formed are likely to be what Barsalou (1983) refers to as "ad hoc" categories. He goes on to describe and demonstrate several outcomes of such categories. Specifically, it is demonstrated that ad hoc categories tend to be less established in memory, and therefore less available in memory. This means that category concepts, concept-to-category associations and category-to-concept associations will generally be less established in memory compared to those of common categories (Barsalou, 1983).

This seems to indicate that the weaker the attribute fit, the less the sponsorship associations will be available in memory. Therefore, it is possible to predict that

P50: The greater the attribute fit, the greater the recall for the association.

P51: The greater the attribute fit, the greater the recognition for the association.

P52: The greater the attribute fit, the greater the recall for the event when the brand is cued.

P53: The greater the attribute fit, the greater the recall for the brand when the event is cued.

P54: The greater the attribute fit, the greater the recognition for the event when the brand is cued.

P55: The greater the attribute fit, the greater the recognition for the brand when the event is cued. [2]

Murphy and Medin (1985) propose another interesting consequence of attribute fit (or conceptual coherence). They propose that such fit can facilitate inference-making about the relationship. Specifically, they present the possibility that "coherent or useful categories are the ones that allow the most inferences to be made." They continue by proposing that "a vague category…enables few if any inferences to be made"(p. 293). While they do not present conclusive evidence to support these assertions, it is certainly possible to imagine how strong attribute fit might facilitate the kind of inferences necessary for the functioning of mechanisms such as "implied size" and "implied endorsement." Therefore, it is tentatively proposed that

P56: Strength of attribute fit is positively correlated with the number of inferences made about the association.

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[2] It should be noted that the linear form assumed is only proposed, and that other research indicates other possible functional forms. The functional form of the relationship between attribute fit and memory, therefore, is an empirical question.

P57: Strength of association is positively correlated with the confidence in one's inferences about an association.

Cohen and Basu (1987) reach some similar conclusions about categorization and inferences. They elaborate on the potential of affect to serve as an intermediate variable in the inference-making process. They propose that "since categorization produces a reduction in uncertainty, positive affect may result from a successful fit and negative affect from an inability to categorize an item - particularly if the resulting judgments or inferences are important" (p. 470). They go on to say that "by relating the assignment of affect to more fundamental categorization processes we are also more likely to anticipate the type of inferences that consumers use to fill in 'information gaps' when direct product knowledge is absent or when motivation to seek such information is low" (Cohen and Basu 1987, p. 471).

These observations are relevant to sponsorship because they point out that the affect generated by successfully fitting things into a category may moderate the number and type of inferences generated. It can therefore be proposed that

P58: The affect generated by the association of a brand with an event moderates the relationship between attribute fit and inference making proposed in P56 and P57.

Ortony (1979) also provides some insight into the consequences of attribute fit. This work attempts to go "beyond literal similarity" to include what he refers to as metaphorical similarity. He defines many properties of metaphors, and relates these properties to Tversky's (1977) concept of similarity. Key to this discussion is the idea that

the more metaphorical is a comparison, the more asymmetry there will be (e.g., cigarettes are like bullets, but bullets are not like cigarettes). This is the idea which led to the quote .".the degree of symmetry is inversely related to the degree of metaphoricity"(p. 172).

Ortony suggests that when no attribute of the second term in a comparison seems to apply to the first, that "a speaker (or listener, reader or writer) may reorder the salience of the attributes of (especially) the second term in the comparison." (Ortony, 1979, p.173). This may have relevance to sponsorship. If one equates the metaphoricity construct with the levels of abstraction of the association, then it is possible to make some interesting propositions regarding levels of abstraction and attribute salience.

For example, when Porsche cars are compared to race cars, the comparison is quite literal, and the salient attribute of a race car (speed) can be easily linked to the brand Porsche. When McDonalds sponsors a race, however, the literal similarity is quite low, and the desirable "fast" attribute is less likely to transfer. When a full-size pickup truck sponsors a race car, however, the most salient attribute of the race car, "speed," is not relevant, and a reordering may take place until a match, such as "can take abuse" is found. If this takes place, not only should the toughness of the truck be made salient, but the toughness of the race cars should be made salient as well. Based upon Ortony's (1979) results, the following propositions can be made:

P59: When attribute fit between event and brand is the result of concrete attribute overlap, metaphorical elaboration does not enhance attribute fit.

P60: When attribute fit between event and brand is the result of abstract attribute overlap, metaphorical elaboration enhances attribute fit.

Another consequence of attribute similarity may be a tendency to infer that one associate has the attributes of the other associate. In other words, attribute fit between sponsor and event along several attributes may lead to inferences that a brand possesses an additional attribute of the event, which the brand is not known to possess. There is evidence to support the idea that two things which are strongly associated can lead to inferences about shared attributes which are not known to be shared. Sedikides, Olsen and Reis (1993) investigate whether providing information about the relationship between two individuals (that they are married) would lead to greater spontaneous transference of attributes (e.g., "is vegetarian") during recall than for pairs of non-married individuals. They do, in fact, find that for married couples, more attributes of one spouse are mistakenly attributed to another spouse than is the case for non-married pairs of people ($p<.05$). The implications of these findings for sponsorship might be

> **P61: The tendency to "transfer attributes" from event to sponsor occurs more frequently under high attribute fit than under low attribute fit.**

In addition to investigating possible consequence of fit, it is necessary to consider possible consequence of lack-of-fit. Within the domain of investigating complex social conjunction categories, Hastie, Schroeder and Weber (1991) cite evidence which suggests likely characteristics of attributions made about compound categories which are seemingly incongruent. In this paradigm, the authors compare conjunctive categories formed by pairing either congruent or incongruent attributes of a person. They find that attributions about the incongruent compounds are more extreme along trait adjective scales than are either the original components of the pairing or the congruent compounds. They also find

that freely elicited attributes of the incongruent compound include many attributes which are not elicited by either simple category. They suggest that evaluation of incongruent combinations may be based upon a more "complex judgment process" than evaluation of simple categories.

Put another way, their results seem to indicate that when incongruent things are paired, evaluation of the pair is extreme, and attribute elicitation about the pair includes attributes which are not elicited by either of the paired items alone. Assuming the pairing of event with brand engages similar mechanisms,

> **P62: Lack of attribute fit between sponsor and event leads to more extreme evaluation of the association along trait adjective scales.**
>
> **P63: Lack of attribute fit between sponsor and event leads to the elicitation of attributes which are not elicited for either the event or sponsor alone.**
>
> **P64: Evaluation of high lack-of-attribute-fit sponsorships requires consumers to engage in more complex judgment processes than do sponsorships which have better attribute fit.**

Finally, it is important to qualify all of the assumptions of a linear relationship between attribute fit and consequences in light of findings which suggest more complex relationships. Meyers-Levy and Tybout (1989), for example, demonstrate that products that are somewhat congruent with their associated category schemas will stimulate processing that leads to a more favorable evaluation relative to products that are either congruent or extremely incongruent. In addition to the preexisting notion that very incongruent pairings are unnatural, weird, and/or poorly liked, this research suggests the possibility that extremely similar pairings are seen as mundane or boring, and therefore,

poorly evaluated. While the result obtained by these authors is not entirely intuitive, its existence suggests some possibilities for the impact of attribute fit in sponsorship.

P65: In some situations, extremely high attribute fit results in lower evaluation of the association than does moderate fit.[3]

No discussion of a construct like attribute fit would be complete without an examination of possible methods of operational measurement. Several interesting possibilities are presented in the literature. Others are developed below.

Johnson (1986) performs a direct test of the contrast model (Tversky 1977) in a consumer product domain. Specifically, the study finds that similarity judgments are predicted by "a linear combination or contrast of the average number of common and distinctive features of the products being judged" (p. 56). This suggests that attribute fit might be measured by free elicitation of attributes (abstract and concrete) from independent groups of subjects for an event and a brand. The attribute fit measure could then be calculated as a function of the number of common attributes and unique attributes of each associate. Given the possibility that events may generally elicit more abstract, and fewer concrete attributes than brands, it may be necessary to normalize elicited attributes along an abstract-concrete continuum before calculating the attribute fit measure.

Similar techniques have been suggested within the domain of brand equity evaluation. Farquhar and Herr (1992) point out the distinction between strong category to brand associations (category dominance) and brand to category associations (instance

[3] When this is the case remains an empirical question.

dominance). The authors also point out the implications of different levels and types of dominance in the domain of brand extension. They point out that many researchers either ignore directionality or look at the wrong associative direction. The authors also hint at other brand associates, such as usage situations, benefits and attributes, but do not discuss the implications of these associations in any detail.

They then discuss three methods for assessing category dominance. They first describe naming methods, which involve a subject naming as many brands in a category as possible in some short time, or naming some pre-specified number of brands. Brands named, and especially named early-on are said to have high category dominance. Such methods could be applied to sponsorship by asking subjects to list "events sponsored by X' or "brands sponsoring Y," using unaided recall as a surrogate for fit.

Farquhar and Herr (1992) also describe latency methods, which use reaction time measures to determine category dominance. According to the authors, brands which are quickly and correctly identified as members of the category have high category dominance. Here a slight modification of the measurement method might be appropriate for sponsorship. Cueing a consumer with an event, and measuring his/her reaction time and accuracy to whether or not a brand is a sponsor would be a fairly good method of measuring the "spontaneous availability" component of attribute fit. Reaction time measures of this type have been demonstrated to discriminate between spontaneously available properties and context dependent properties (Barsalou, 1982, experiment one).

Finally, the authors discuss "facilitation" methods, which involve providing subjects with a category, then presenting them with a brand covered up with dots. The authors claim that brands which are recognized earlier are category dominant. In the

context of sponsorship, an event rather than a category could be cued. Brands for which the event cue resulted in "facilitation" of recognition could be said to have better attribute fit.

Although all these measures could be used as surrogates for attribute fit, it seems that all three techniques would be poor direct operationalizations of the attribute fit construct. Such measures would really describe how successful a previous association had been. This might be strongly influenced by things like duration of the sponsorship, and amount of money spent on promoting awareness of the association. While these things have been proposed to impact attribute fit, they are not truly components of attribute fit.

As mentioned at the beginning of the chapter, one measure against which others could be compared would be some sort of respondent-defined, generic fit measure. Direct measures of generic fit could be measured along continuous scales. Correlations between these respondent-defined measures of generic fit and other measures mentioned above would certainly help to illuminate the properties of attribute fit.

Audience Fit

One type of fit which is more relevant to sponsorship than other commercial associations is "audience fit". Audience fit refers to the nature of the overlap between the audience for the event and target market for the brand. As mentioned earlier, audience fit, in many circumstances, will be highly correlated with other types of fit. It does, however, have some interesting properties with unique implications for several of the seven mechanisms. Before describing these properties in detail, a brief review of the notion of audience fit in the sponsorship literature is presented.

Many authors have espoused the commonsense idea that having overlapping audiences is a good idea. Varadarajan and Menon (1988) suggest that any "cause-related marketing" effort should share the demographics of the target market for the product. Nicholls, Laskey and Roslow (1992) suggest that understanding the differences in audience from one "Hallmark Event" to another may allow marketers to develop optimal messages. Otker (1988) states that "the chance of an effective sponsorship is maximized when there is a perfect marriage of target groups…of sponsor and the sponsored body" (p. 85). Marshall and Cook (1992) found that 49% of respondents listed reaching a specific target audience as the most important determinant in selecting an event to sponsor. Thomas (1985) states that "the first concern of a company with sponsorship in mind should be to select the sport, the art or the kind of music which is…most appealing to its consumer/audience" (p. 322).

Other authors have written about the ability of sponsorship to reach different and/or prized audiences. Crowley (1991) points out that sponsorship reaches many audiences, including current and potential customers, suppliers, employees, the general public and local community, the business community, and shareholders. He presents the results of a survey which shows the relative importance of each of these audiences by firm type, and orientation. Withcer et al. (1991) found that companies used sponsorship of cultural and art institutions to reach opinion leaders and to achieve community relations goals, whereas sports sponsorship was used primarily to reach the general public directly. Wolton (1988) states that arts sponsorship is often employed in order to reach "decision makers, government leaders, and opinion leaders" (p. 89).

Finally, there has been some elaboration on the notion that there are several distinct "event audiences" which may respond differently to sponsorship. Hastings (1984) makes a distinction between audience members who are "directly involved in the sponsored events as participants," those who "are directly involved as personal spectators," and those who "follow the event through the media". The author notes that event sponsorship differs from advertising in the clear delineation between various audiences for an event. He points out that these differences must be taken into account when creating potential objectives for a sponsorship. These different event audiences could probably serve as a surrogate for an "event-involvement" construct which may have an impact on the functioning of the seven mechanisms. Specifically, it can be proposed that

> **P66: Event-involvement is highest for participants, lower for those who attend the event live, and lower still for those who view the event through the mass media.**

Apart from these quotes and ideas, there is no extant elaboration on the audience fit construct. There has been no discussion of its nature, properties, or impacts on sponsorship success. This shortcoming is addressed below.

Audience fit involves two distinct dimensions. The first, which is widely recognized in other contexts, is "intersection," which simply refers to the size of the overlap in the audience of the event and the target market for the sponsor. Intersection is analogous to the media planning concept of "reach" (see Sissors and Surmanek, 1986). As far as the intersection component of audience fit is concerned, an overlap of the target market for brand X with event Y of 100,000 is equivalent in value to an overlap of the

target market for a brand X with event Z of 100,000, regardless of the absolute size of Y and Z, or the relative size of event audience and brand market (see Figure 2 below). For several of the seven mechanisms, intersection is probably the only component of audience fit that matters.

The second component of audience fit is "subsumption," or the degree to which one audience is subsumed by the other. Here the relative audience size of the two events does make a difference, as does the percentage of each audience which is represented in the intersection. A few examples of this construct are given in Figure 2 for clarification.

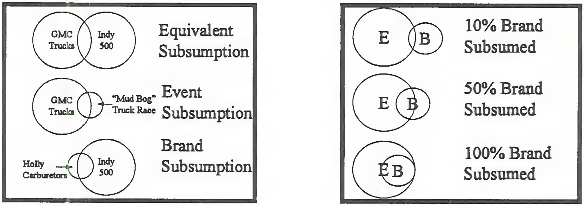

FIGURE 2

TYPES AND AMOUNTS OF SUBSUMPTION

As can be seen in the above figures, the type and degree of subsumption depends upon the area of intersection between the brand and the event, the size of the event, and the size of the brand. "Equivalent subsumption" is defined by the intersection representing the same proportion of the event audience as the brand audience. "Event subsumption" is

defined by the intersection of brand and event audiences representing a larger percentage of the event audience than the brand audience. "Brand subsumption" is defined by the intersection representing a higher percentage of the brand audience than the event audience. Percent subsumption is simply the percentage of the subsumed associate represented by the intersection.

Looking briefly at the right side of the above figure, it should be clear that there are several differences in the nature of the 100,000 person intersections presented. In the case of equivalent, low subsumption, the intersection of "Indy Car People" and "GMC People" is not particularly predictive of the attributes of either group. In the case of Event subsumption, the relatively high percentage of people watching the "Mud Bog" race who are also in the pickup truck target market may cause people in the intersection to increasingly believe that "GMC Trucks are for people like me". Likewise, in the case of brand subsumption, the high percentage of people in the "high performance carburetor market," who also watch the Indy 500, may lead people in the intersection to increasingly believe that "the Indy 500 is for people like me". In other words, when there is sufficient percent of subsumption, affiliation with the smaller, more individuating associate should flow to the larger, less individuating associate. From these ideas, the following propositions can be made:

P67: Sponsorship under event subsumption leads to greater affiliation with the brand than sponsorship under equivalent or brand subsumption

P68: Sponsorship under brand subsumption leads to greater affiliation with the event than sponsorship under equivalent or event subsumption

Positioning Fit

Positioning fit refers to the fit between the message of the commercial association and the message of the rest of the integrated marketing communications campaign. To the extent that this is explained by the similarity between the audience for an event and the audience for traditional media vehicles employed by the brand, positioning fit will be highly correlated with audience fit. But positioning fit also has a temporal component, and a sub-segmentation component that make it worth discussing as a unique type of fit. The temporal component refers to the fact that the marketing campaign for some products may reflect certain seasonal characteristics. This makes the timing of events a determinant of positioning fit. The sub-segment component refers to the fact that marketers often give slightly different messages about their product to different sub-segments. This later component is related to the unique ability of sponsorship to engage in "partial positioning," which is defined below. First, however, a brief summary of the literature relevant to the positioning fit concept is presented.

Very little has been said about positioning fit as a determinant of success in commercial associations. One exception to this is an article by Crimmins and Horn (1996) who discuss the role of sponsorship within the overall marketing campaign. They stress how important it is to "check the fit between the sponsored property and your marketing objectives" (p.20). This is perhaps the closest thing to a direct reference to positioning fit in the existing literature.

Within the related domain of "corporate image management," Gray and Smeltzer (1985) discuss the importance of having all of a company's communications have a

coherent message. Specifically, they state that "the various sources that communicate corporate image must be coordinated so that a congruent and effective image is projected" (p. 77). While sponsorship associations are not directly cited, their argument clearly could include sponsorship as an image-communicating device.

Finally, within the domain of brand extensions, Park, Milberg and Lawson (1991) point out the value of having all of a company's brands share a coherent position. They state that "the degree of perceived fit is a function of" among other things, "brand-concept-consistency perceptions" (p. 186). They also find that extensions work best when both core brand and extension are either prestige or functional in nature. Therefore, at a very high level of abstraction, two associates having a similar positioning seem to be an indicator of success in some circumstances.

As mentioned in the introduction to this section, one reason why positioning fit is particularly relevant to sponsorship is the temporal nature of events. An example of a brand which takes on a somewhat seasonal positioning strategy is Coors Light In the Summer, Coors Light is positioned as fun time beer to take with you to the beach so you won't be too full to play volleyball. In the winter, the brand position seems to move toward being a cozy, by the fire, after-ski beverage. In short, the changing seasonal consumption situations for the product are reflected in the advertising of the product. By sponsoring beach volleyball in the summer and downhill ski racing in the winter, the seasonal positioning is reflected in the sponsorships chosen.

A related, and perhaps more interesting facet of the positioning fit between event and brand is the sub-segment component. Much like some brands have seasonal positioning strategies, others try to position their brands as different things to different

sub-segments. Clearly, it is not possible for a brand to be all things to all people, but the degree to which brands modify their messages to fit different segments is somewhat remarkable.

Budweiser beer is a case in point. While Bud positions itself as the "working man's beer" on weekend sports shows, the message it presents on David Letterman and MTV is quite different. This takes place for two reasons. One reason for this is that the MTV audience may not be interested in a beer that is just for blue collar types. Secondly, and more importantly is the fact that the "working men" do not stay up on Sunday night to watch "120 Minutes" on MTV. Hence, a partial positioning strategy is possible because the more avant-garde message is never seen by the core market who would find it confusing at best, and disturbing at worst.

Sponsorship, where the association is the message, represents a nearly no-downside way for a firm to try partial positioning. An example of this is AT&T's major sponsorship of the Rock and Roll Hall of Fame. While AT&T is not generally considered to be a "rock and roll kind of company," anyone who would find this association to be a negative for AT&T never sees it. The key to the ability of sponsorship to engage in partial positioning in this case is the fact that the message is limited to those who go to the museum.

Conclusion

This chapter has examined how the various types of "fit" relate to sponsorship. A brief review of how the fit construct has been presented in sponsorship and other commercial association domains was reviewed. Other, more technically defined types of

fit, such as "attribute fit," "audience fit" and "positioning fit" were then discussed and defined. The chapter concluded with a discussion of measurement issues. While this chapter did address the idea of "lack-of-fit," it did not explore the potential outcomes of associations which are viewed by consumers as inappropriate. This issue is explored in the next chapter.

CHAPTER SIX

SACRILEGE.

> *Tottenham Hotspur, Liverpool, Manchester United: these names have magical associations for those who worship the great football god. Singing, swaying masses on Wembley terraces. Muddy mayhem in the twilight gloom. The glory and the gory. Red vs. Blue. Catholic vs. Protestant. North vs. South. And now... AVCO vs. Crown Paints. JVC vs. Sharp. Holsten vs. Home Ales.* Wright, (1988, p. 104)

No discussion of sponsorship would be complete without acknowledging the fact that some consumers may think that it is going too far. In an age of increasingly bold associations, the problem should only continue to grow. One acknowledgment that people may be getting fed up is evidenced by Taco Bell's "April Fools Day prank" in which the company placed an ad in the April 1, 1996 New York Times proclaiming:

> TACO BELL BUYS THE LIBERTY BELL
> In an effort to help the national debt, Taco Bell is pleased to announce that we have agreed to purchase the Liberty Bell, one of our country's most historic treasures. It will now be called the "Taco Liberty Bell" and will still be accessible to the American public for viewing . . . .

Clearly, at least among the advertising creatives at Taco Bell, there may be a problem.

The idea that maybe there are some things which are "sacred," and therefore should not be involved in commercial association is an intriguing one. The idea that some products may be so "profane" that any association with a non commercial entity would

result in poor evaluation and even outrage is equally attractive. When combined, the two notions form a complex and largely unexplored area in marketing. This area is referred to here as "sacrilege".

The notion that consumption objects can take on dimensions of being "sacred" or "profane" has received some attention in the consumer behavior literature. Belk, Wallendorf and Sherry (1990) describe how the processes of the secularization of religion and the sacralization of the secular are at work in contemporary society. They find that consumers maintain the sacred in consumption through separation of sacred and profane, and through the performance of rituals. Belk and Wallendorf (1990) explore the sacred and profane dimensions of money itself. They find that the sacred and profane aspects of money depend upon its sources and its uses.

Hirschman (1991a) explores the way advertisers utilize sacred and profane consumption imagery to persuade. In an exploration of process of the secularization of the sacred, Hirschman (1991b), describes how the commercial transactions involved with surrogate motherhood and in-vitro fertilization can be made less profane. She finds that this is achieved by stressing the sacred aspects of the acts of childbirth and family creation.

While the sacred and profane nature of consumption objects has received attention, there has been no examination of these issues in the context of commercial associations. Some might argue that words like "sacred," profane" and "sacrilege" are too strong to be used in the context of commercial associations. There are several recent examples, however, which, seem to meet the more traditional notion of sacrilege. DeCoursey (1995) reports on the widespread feeling of over-commercialization associated with the Pope's 1995 visit to the United States. Brewer (1993) describes attempts to associate the Pilot

Precise Pen with Middle East peace[4]. Brewer (1993) also reports on an attempt by K-Swiss shoes to capitalize on the fact that the Pope bought a pair of their sneakers while in Denver. Finally, there is the case of the McDonalds World Cup Soccer promotion in which sacred Koran scripture was featured on two million throw-away hamburger bags. This promotion greatly offended Muslims in Great Britain (Alonzo,1994).

The above examples seem to provide evidence of "sacred" events or objects which are difficult to successfully exploit through commercial association. Similar positive examples of associations which failed because the product was too "profane," are not as readily available. While Tambrands was among the corporate sponsors of the Women's National Basketball Team (Rosner, 1995) and Angel Soft bathroom tissue is involved with a "cares for kids program" (Weisz, 1995), there are no known cases of either feminine hygiene products or bathroom tissues having an event named after them. The same is true for other product classes found to be "causes of irritation" (Aaker and Bruzzone, 1985), such as laxatives and breath fresheners.

An interesting and complicated possibility is that sacrilege may be perceived for brand-event associations in which the brand is not strictly profane and the event is not strictly sacred. Some combinations of associates, for reasons which have not yet been examined, may lead consumers to consciously elaborate on the "inappropriateness" of the association. This may sometimes go beyond mere elaboration in one's own mind, leading to actual verbalization. Discussion among consumers about the crass and commercial nature of the association can then ensue. The impact of such discussion among consumers about associations is also currently unexplored.

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[4] The pen was apparently used in signing some of the documents.

An example of this might be the case of the "Tostitos Fiesta Bowl," which was played to determine the national college football champion of the 1995 season. While the Fiesta Bowl may not have been strictly "sacred" and corn chips may not have been strictly "profane," discussions which were seemingly the result of perceived sacrilege could be heard among Florida Gator fans around the time of the game. Comments like "That's not right…the taco chip national championship" and "Good grief, the Tostitos logo on the sweatshirts is bigger than the words 'Florida Gators' " were common.

Using a small, convenience sampling of comments, it also seemed that the people who were bigger fans were more likely to express disdain for the association. While there is absolutely no empirical work in this area, it is possible to propose the following:

P69: The more mundane the brand, the more likely the association to result in perceived sacrilege.

P70: The more sacred the event, the more likely the association to result in perceived sacrilege.

P71: For associations which run the risk of sacrilege, greater consumer involvement with the event results in a greater likelihood of perceived sacrilege.

P72: For associations which run the risk of sacrilege, lower levels of attribute fit lead to a greater likelihood of perceived sacrilege.

P73: The more blatant the perceived commercial intent of the association, the greater the likelihood of perceived sacrilege.

The most frequent response to perceived sacrilege may well be for the consumer to elaborate that "those two things don't belong together". This elaboration may provide the necessary condition for a "dissimilarity frame". Given that "people attend more to the

common features in judgment of similarity than in judgment of difference" (Tversky, 1977, p.340), it is possible to propose:

P74: Under perceived sacrilege, attributes common to event and brand become less salient.

P75: Under perceived sacrilege, attributes not shared by event and brand become more salient.

Therefore,

P76: Under perceived sacrilege, attribute fit is reduced.

The elaborations generated by perceived sacrilege may well be the commercial association equivalent of "counter-arguing". This is serious, because one of the benefits of commercial associations in general is the inability of consumers to counter-argue in the classic sense, when "the association is the message". It is therefore possible to propose that:

P77: Sacrilege-inducing associations will lead to more counterarguing than will non-sacrilege-inducing associations.

Conclusion

While consumer outrage at associations considered to be sacrilegious is understudied, the growing number and forms of commercial association make it an especially salient avenue for further research. As the boundaries of what can be sponsored get pushed farther and farther, the importance of this area of investigation should only increase. One way to minimize the chance of negative consumer response to an association is through additional

promotional effort which explains the association to the public. The potential benefit of such additional communication about the association is presented in the following chapter.

CHAPTER SEVEN

ASSOCIATION-ENHANCING COMMUNICATIONS (AEC)

As alluded to earlier, sponsorship associations do not exist in a vacuum. Firms can engage in a variety of communication activities in order to maximize the impact of the association for which they have paid. These communications are referred to here as "association-enhancing communications," or AEC. The expenditures above and beyond the fee paid to "be the sponsor" are generically referred to by practitioners as "leverage"(Andrews 1996). Leverage can attempt to enhance awareness of the sponsorship among consumers through advertising. It can also, however, take the form of tie-in promotions, sales promotions, case lot discounts, and other perks to the channel members in conjunction with the event.

Leverage has received some attention in the sponsorship literature. Meenaghan (1991a) defines "leveraging" as "the additional effort, largely promotional, which must be invested by the sponsor in order to properly exploit the opportunity provided as a result of securing particular sponsorship rights" (p. 43). He goes on to say that it is generally agreed that an amount at least equal to the sponsorship fee should be allocated to leveraging the sponsorship. Otker (1988) presents a somewhat higher estimate, stating that "for each dollar spent on *buying*, another three dollars is spent on *exploitation*" (p. 77).

Gardner and Shuman (1987) empirically investigate the amount spent on leverage. They survey 300 Fortune 500 companies about their sponsorship activities. Eighty-nine percent of responding companies engaged in sponsorship report some form of project support, such as advertising tie-ins. The authors find that within their sample, an average of forty percent of sponsorship cost was spent on leveraging the sponsorship (including advertising, promotion, and employee tie-ins). They also find that less than ten percent of companies spend more money leveraging the sponsorship than the sponsorship actually costs.

Although the optimal level of spending on leverage seems to be a matter of some dispute, the facts seem to support the idea that most sponsorships involve some additional spending on communications about the association. The interesting question then becomes "what should be said and to whom?" Crimmins and Horn (1996) propose that when the link between an event and a brand is clear, as with basketball and athletic shoes, consumers can make the link themselves. When the link is harder to forge, however, the link must be made for them, as with Visa driving home the message that the Olympics don't take American Express. While this advice seems to be face valid, it does not answer the biggest question. When does the meaning of the association "need to be driven home"? When does this help? When might it hurt? When might it be merely a waste of money?

In the related area of brand extensions, Aaker and Keller (1990) find that elaborating on brand extension attributes improves evaluations of the extension. They propose that this occurs by alleviating negative inference making. Explaining which

attributes the extension shared with the core brand is found to be superior to elaborating upon the quality of the original brand in generating positive evaluations of the extension.

An example of how this is relevant to sponsorship may make the point clear. Suppose a dry cleaner is sponsoring a stock car. While attributes of a race car like "speed" are positive for a dry cleaner, attributes like "dusty" or "oily" are not. Given the Aaker and Keller (1990) findings, and the implication of the above, it can be stated:

> **P78: Communications stressing the positive attributes of an event for a brand have greater impact on brand evaluation when the event possesses both brand-positive and brand-negative attributes than when the event contains only brand-positive attributes.**

Previously the findings of Markman and Gentner (1993) were discussed. These authors found that the act of merely considering an association had an impact on subject's structural alignment. Subjects who were told to make a similarity comparison tended to associate two scenes along more abstract, relational dimensions. Assuming that association enhancing communications (AEC) can successfully induce people to make a similarity comparison, then it can be proposed:

> **P79: AEC efforts which explicitly tell a consumer to "see the fit" between event and sponsor will lead to greater perceived fit.**

> **P80: The effects predicted in P79 are greater when the event and brand share attributes which are abstract and relational than when the event and brand share attributes which are concrete.**

Quite a bit of research has been done which focuses on whether explicitly stating conclusions is helpful. Kardes (1988) found that more positive brand perceptions are derived from allowing the consumer to draw his/her own conclusions in advertising.

Sawyer and Howard (1991) demonstrated that for high involvement individuals, open-ended advertisements were superior to closed-ended ads in terms of attitudes, purchase intention, and choice. The authors found no significant difference, however, for the low involvement groups.

These studies seem to contradict early work which found that explicitly drawing the conclusion for the audience was superior to letting them draw the conclusion themselves. Hovland and Mandel (1952), for example, found that over twice as many subjects agreed with a speaker's argument when the conclusion was explicitly drawn by the speaker as opposed to being left up to the audience (neither intelligence nor personality type had a measurable impact on this effect). The theoretical explanation for this seeming inconsistency is that the impact of omitting the conclusion depends upon how difficult the conclusion is to draw. If it is very difficult, then few people will draw the appropriate inference, and effectiveness is reduced. If people are capable of "getting it" on their own, however, omitting the conclusion should be more effective.

Several authors have hypothesized as to why this might be so. Linder and Worchel (1970) demonstrate how mechanisms like cognitive dissonance can lead to difficult self drawn conclusions being believed more than conclusions which were easier to draw. One explanation for this finding is that people want (or need) to find value in accomplishing a more difficult task, and that discovering something with which one agrees is more valuable than discovering something with which one does not agree.

Similar ideas have been put forth in the domain of categorization, which is more closely related to the pairing of commercial associates. Cohen and Basu (1987), for example, propose a direct impact on affect of discerning what two things have to do with

one another. Specifically they state that "since categorization produces a reduction in uncertainty, positive affect may result from a successful fit and negative affect from an inability to categorize an item, particularly if the resulting judgments or inferences are important"(p. 470). Combining this idea with the findings of Linder and Worchel (1970), it can be proposed that

P81: For those who determine how a sponsor is like an event on their own, the more difficult the association is to understand, the more positive affect will be generated for the association.

P82: The effect predicted in P81 is greater for consumers who are highly involved with the event than for those who are less involved with the event.

The above propositions must be qualified, however, by the generally accepted idea that for most people, figuring out what a sponsor has to do with an event is not an activity likely to receive much cognitive effort. Therefore, any association that requires more than the simplest consideration to understand will likely be ignored. This fact does not, however, make the above discussion irrelevant. On the contrary, it allows some specific predictions about the effectiveness of certain strategies for association-enhancing communications. Some specific AEC strategic proposals are as follows:

P83: Communications which explain obvious associations harm the association.

P84: Communications which "all but" explain the associations that are not obvious are superior to communications which actually do explain the association.

Conclusion

Given the industry rule of thumb of spending three times the sponsorship fees on "leverage," the study of how and when these communications about the association will be most effective is an interesting area of investigation. While the extant literature has done a thorough job of looking at the impact of omitted conclusions in the context of traditional advertising, the unique mechanisms involved in sponsorship warrant further research into how to best spend these billions.

This chapter has considered how firms can maximize the impact of engaging in sponsorship through "leverage," or additional spending above the sponsorship fee. Such additional spending on "association enhancing communications" was posited to have a measurable impact on several sponsorship variables. Consumer difficulty in determining what a brand and event have in common was proposed as a key variable in deciding how much should be said about an association. Formal propositions about how AEC will impact these variables were also presented.

The last several chapters have explored broad aspects of the relationship between sponsorship variables at a somewhat abstract level. The following three chapters focus more narrowly on a subset of the issues raised thus far. These chapters develop and test a two-stage model of building brand equity through sponsorship. After an explanation of the model's conceptual underpinnings, eight empirical studies are presented which test various components of this model. Chapter 11 then summarizes the findings from the eight studies, and discusses their theoretical and managerial implications. The dissertation concludes with suggestions for future research.

CHAPTER EIGHT

THE IMPACT OF EVENT AND ASSOCIATIONAL FACTORS ON INFERENCES ABOUT THE BRAND

The preceding chapters have provided an overview of what is currently known about sponsorship. They then went on to map out the somewhat vast "unexplored territory" of how sponsorship may work. While the wide array of unexplored issues makes the general area of sponsorship an exciting domain in which to work, it also makes it necessary to limit to a subset the number of issues which can reasonably be addressed within the scope of a dissertation. This first empirical chapter, therefore, begins with a brief discussion of which issues were selected for empirical investigation and why they were chosen.

The core unexplored issues in sponsorship are how and when does associating a brand with an event build equity for the brand, and, ultimately, increase choice probability for a segment of consumers. Given that the mechanisms at the lower end of the "necessary elaboration continuum" (i.e. awareness, affect transfer) are not expected to differ functionally from their counterparts in the domain of advertising, it seems most fruitful to pursue those mechanisms at the upper end of the continuum. Very little is known about mechanisms like implied size, implied endorsement and reciprocity. These mechanisms are also likely to be more greatly impacted by sponsorship than by other forms of promotional activity.

These mechanisms are so far up the "necessary cognitive elaboration continuum" that they all strongly rely upon consumer inference making in order to function. For a sponsorship association to impact the perceived size of a company or brand, a consumer must make an inference that "this company must be big in order to be able to sponsor such an event." In order for the implied endorsement mechanism to be engaged, a consumer must make the inference that "this brand must be OK, or else it wouldn't be allowed to be the sponsor of this event. In order for reciprocity to be engaged, a consumer must make the inference that "this brand is doing something to make possible and/or better an event I care about."

The realization that inference making is key to so many important, uniquely sponsorship-related mechanisms has led to the development and testing of "the inference based model of building brand equity through sponsorship." This model yields many specific hypotheses about how audience, event, and associational factors impact the inferences consumers draw about sponsoring brands, and how these inferences impact choice probabilities for various classes of brands. The inference-based model is depicted graphically in Figure 3.

As the figure makes clear, the inference-based model consists of two stages. In stage one the consumer who is exposed to the sponsorship association makes inferences about the brand. The number and kind of inferences made are determined by event and associational factors, as well as by characteristics of the audience members' relationships with the event (audience factors). Stage two consists of converting these inferences into changes in choice probability for a particular brand on the basis of the sponsorship-based inferences. Here, categories which differ in experience ambiguity, and brands which differ

in their goodwill position, are expected to be differentially impacted by each type of sponsorship-based inference.

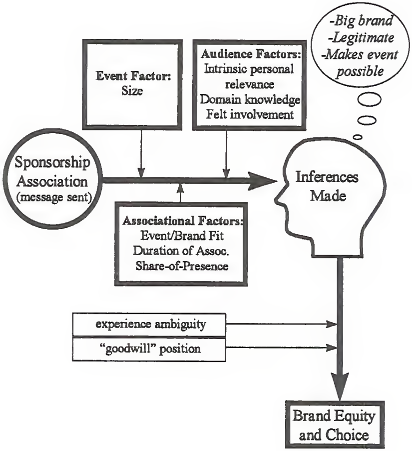


FIGURE 3

THE INFERENCE-BASED MODEL OF BUILDING BRAND EQUITY THROUGH SPONSORSHIP

The remainder of this chapter details a series of three studies which investigate the impact of event size, brand/event fit, duration of association, and share of presence (defined below) on consumer inference-making about a sponsoring brand. The following

chapter describes two experiments which explore the role of audience factors on consumer inference making. Chapter ten explores how sponsorship-based inferences differentially impact different brands and categories.

Conceptual overview and construct definition for studies 1a, 1b and 1c

Studies 1a,b and c investigate how event and associational factors impact inference making. Specifically, they explore how event size, brand/event fit, share of presence, and duration of association impact inferences about brand size, brand legitimacy and event facilitation. These constructs are defined below.

Event Factors

"Event Factors," or attributes of the event being sponsored, are expected to directly impact consumer inference making about the sponsoring brand. Many aspects of an event, such as perceived size and prestige, might influence inferences about sponsoring brands. Pretesting was undertaken to determine the relatedness of these constructs. One hundred eleven actual sponsored events were evaluated by independent groups of subjects. Perceived prestige was evaluated along a seven point scale anchored by "very prestigious" and "not prestigious at all" (n=21). Perceived size was evaluated along a seven point scale anchored by "very large" and "very small" (n=18). Mean scores for each construct were calculated. The means for both constructs, for all 111 events, were then submitted to simple correlational analysis. The correlation coefficient between the two constructs was found to be .785.

While this correlation was quite high, further investigation of the data attempted to determine if the two constructs could be orthogonally manipulated experimentally. While it was possible to find events which differed in prestige and size, these events fell into very specific event categories. That is, nearly all of the high prestige, low size events were arts related, while nearly all the high size, low prestige events were dirt-track motor sports or rodeos. Rather than limit the initial test of the inference-based model to these rather unique categories of event, where size and prestige were poorly correlated, a decision was made to include only one of the two constructs. This was done with the knowledge that the chosen construct is most likely correlated with the other. Given the interesting theoretical predictions about the impact of event size on the perceived size mechanism, the perceived event size construct was chosen for exploration.

Perceived Size

Perceived size of the event is expected to impact inferences about the size of the sponsoring firm. Here, consumers are expected to infer that only a large brand could afford to sponsor a large event. Perceived size of the event is also expected to affect inferences about the commitment of the brand (or firm) to supporting the class of activity. For example, an athletic shoe sponsoring a large tennis match might be perceived as more committed to tennis than an athletic shoe which sponsors a smaller, less important tennis match. Perceived size of the event is also expected to impact consumer inference making about the necessity of the sponsor to the event taking place ("event facilitation"). Here, sponsoring a small event is more likely to lead consumers to infer that without the support of the brand, the event would not take place.

TABLE 1
MEAN PERCEIVED PRESTIGE AND SIZE OF 111 EVENTS AND ORGANIZATIONS

Event/Organization	Size	Prestige
AMA ProRacing	4.00	3.33
AMC Cancer Research Center	5.39	6.00
American Cancer Society	6.11	6.76
American Diabetes Association	5.94	6.57
American Heart Calif	5.17	6.00
American Horse Shows Assoc.	2.44	3.62
American LumberJack	1.89	2.29
American Poolplayers	2.22	2.81
American Quarter Horse	2.39	3.43
American Racing Series	3.61	3.33
Arthritis Foundation	5.39	5.52
Baltimore Zoo	4.11	4.43
Big Apple Circus, Ltd.	3.39	3.33
Brookfield Zoo/Chicago	3.89	4.90
Builders Square Alamo Bowl	4.28	3.57
Calgary Stampede	2.83	2.62
Calgary Zoo	3.50	4.24
Canadian Figure Skating Assoc.	3.22	4.62
Canadian Olympic Association	4.33	5.67
Capital City Riverfest	3.00	3.62
Carnegie Hall	5.89	6.46
Charlotte Motor Speedway	4.44	3.00
Cherry Creek Arts Festival	2.94	3.62
Children's Home Society	3.50	4.57
Childrens Hospital of Alabama	4.11	4.71
Children's Hospital of Pittsburgh	4.67	5.05
Children's Miracle Network	6.17	6.00
Children's Museum of Indianapolis	3.67	4.14
Child's Play Touring Theatre	3.33	4.24
Cirque du Soleil	3.22	4.57
City of Hope	3.39	4.62
Coaches vs. Cancer	5.00	5.38
Cranbrook Institute of Science	3.00	4.61
Downtown District Houston, TX	3.50	3.43
Elvis Presley's Graceland	3.44	3.62
Epilepsy Foundation of America	4.72	5.81
Feed the Children	5.17	5.76
Florida State Fair	2.89	2.62
Head of the Charles Regatta	3.00	3.43
Henry Ford Museum	3.44	4.10
Houston Livestock Show	2.72	2.29
IMAX Corporation	4.50	3.95
IndyCar	5.00	4.14
Infiniti Open - L.A. (Tennis)	4.06	6.14
International Festival of Lights	4.22	4.19
Joffrey Ballet	2.67	4.71
Junior Achievement, Inc.	3.78	3.81
Kennedy Center for Perf. Arts	4.56	6.48
Kennedy Krieger Institute	3.33	4.43
KO Drugs Boxing	3.39	3.14
Lakeland Prowlers Hockey Team	2.56	2.43
Liberty Science Center	2.89	3.95
Lincoln Park Zoo - Chicago, IL	3.22	4.62
March of Dimes	5.61	6.00
Mary Bridge Children's Hospital	4.11	5.29
Montrial Museum of Fine Arts	2.89	4.76
Multiple Sclerosis Society	4.78	5.90
Museum of Science & Industry	4.00	4.90
Mystic Seaport Museum	3.11	3.71
Names	3.17	3.86
Nat. Assoc. of Intercoll. Athletics	4.78	4.81
Nat. Assoc.Secondary Schools	3.22	3.20
National Captioning Institute, Inc.	2.56	3.43
NCAA	6.06	5.71
National Geographic Society	5.44	5.38
National Wildlife Federation	5.17	5.24
New Jersey Balloon Festival	2.18	2.57
NMMA Boat Tour	2.22	3.05
Nynex	4.00	4.14
Opryland	2.67	3.29
Orange Bowl	6.22	6.05
Oregon Shakespeare Festival	2.67	3.71
Oxfam America	2.39	3.14
Pacific National Exhibition	2.83	3.24
Pittsburgh Three Rivers Regatta	2.89	4.00
Polaris Amphitheater	2.67	3.33
Porky's Racing Team	2.00	1.86
Power Team	2.67	2.67
Research Hospital /ALSAC	4.56	5.14
Ringling Bros. Circus	6.56	4.10
Rockefeller Center	6.81	6.14
Rocky Mountain Elk Foundation	3.11	3.52
Royal Academy of Arts	3.44	4.48
San Diego Street Scene	2.89	2.76
San Diego Zoo	3.83	4.81
San Francisco Jazz Festival	3.56	4.43
Science Museum of Minnesota	2.78	4.05
Shea's Performing Arts Center	3.17	4.33
Shed Aquarium	2.94	3.67
St. Mary's Food Bank	4.28	4.71
Taste of Colorado	2.39	2.81
Tate Gallery	3.17	4.10
Team Denmark - DENMARK	2.44	3.61
The Childerens Theater	3.44	4.38
The Nature Conservancy	4.00	4.86
Toshiba Tennis Classic	3.72	5.05
U.S. 10K Classic	2.56	3.76
U.S. Luge Association	2.94	3.33
U.S. Taekwondo Union	2.78	3.38
United States Sailing	3.17	4.10
United States Tennis Association	4.61	6.29
United Way	6.39	5.95
University Musical Society	3.81	4.62
USA shooting	2.94	3.24
USA Wrestling	4.00	3.19
Vancouver Art Gallery	2.78	4.29
Venetian Festival	2.89	4.00
Walt Disney's World on Ice	6.22	4.67
Washington DC Parks	3.00	4.29
Western Idaho Fair	2.72	2.24
Wildlife Conservation Society	4.00	4.52

The idea that sponsoring an event can influence the perceived size of the sponsor has been examined and has received some empirical support. McDonald (1991) did not find evidence of such an effect. This may have been due to the fact that perceived size of companies studied was already very high (e.g., Phillips and Cadbury). Evidence that sponsorship can influence perceived size was found by Rajaretnam (1994) who reports that a tire maker that spent almost its entire marketing budget on sponsorship dramatically increased its perceived size.

The marketing literature provides other evidence of the benefits of perceived size. Kirmani and Wright (1989) propose three possible mechanisms through which perceived expenditure on advertising might lead to inferred quality. One is the notion that confidence in quality leads companies to spend more on promoting a product. Another is a perceived relationship between promotional spending and quality in some markets. Finally, they cite the idea that "perceived advertising expense is a signal of a firm's financial strength, probable social acceptance or some other factor that defines quality in some markets" (p. 344). Kirmani (1990) proposes that perceived expenditure will be used as cues to quality when they are more diagnostic than other cues.

Associational Factors

Associational factors, or attributes of the association between the event and the brand, are also expected to impact inference making about the brand. Associational factors include fit between the event and the brand, the duration of association between the event and the brand, and the share of presence a particular brand has relative to all the brands at the event. Brand/event fit was discussed at length in chapter five. Duration of association refers to the event-brand associational "history" (number of years the brand has sponsored the event). Share of presence is a measure of consumer perception of how large a presence a brand has at an event relative to the other sponsors.

The fit between a brand and an event is expected to be a strong determinant of the number and kinds of inferences a consumer makes about a sponsoring brand. As previously discussed, fit can be directly measured as a unidimensional construct which is perceived by consumers. Operationally, it has been defined in several ways by researchers

in other areas of commercial associations. In the domain of brand extensions, Aaker and Keller (1993) operationally defined fit to be the degree to which the brand extension is a substitute or a complement for the core brand. Broniarczyk and Alba (1994) seek out brands with strong, unique associates. If the core brand and the extension possess the same strong and unique association, they are defined to have relatively high fit. This suggests that consumer perception of "fit" is high when the event and brand share unique, salient attributes.

Many examples of the impact of fit on the success of endorsers have been found. Friedman and Friedman (1976) found that fit between the type of product being endorsed and the type of endorser significantly predicted ad evaluation, such that ads for jewelry were best evaluated when done by a celebrity, whereas ads for cookies were better received when done by a homemaker. Kamins and Gupta (1994) found that increased congruence between the spokesperson and the product resulted in a more favorable product attitude. Speck, Schumann and Thompson (1988) found that when the endorser's relationship to the product was more obvious, information could be processed in a shorter time.

Fit has been defined at even higher levels of abstraction, and has been found to impact marketing success. Park, Milberg and Lawson (1991), for example, define high fit as occurring when both the core brand and its extension are either "prestige" or "functional." They found that prestige extensions worked best for prestige core brands and functional extensions worked best for functional brands.

While definitions of fit vary widely in the extant commercial association literature, certain commonalties can be found. In most of the examples cited above, fit is defined as

the perceived similarity or congruence between two associates. This is what was defined in chapter five as "generic fit." While other, more complex conceptualizations of the fit construct were provided in that chapter, the simplicity of perceived fit, and its frequent usage in the extant commercial association literature make it an appropriate construct for investigation in the emerging domain of sponsorship.

Duration of Association

Duration of association is also expected to impact inference making about a sponsoring brand. Duration of association is defined as the length of time that the brand has been associated with the event. A "new" or "first-time" sponsor represents extremely low duration of association. For most events, duration of association is measured in years.

Consumers are more likely to be aware of long term associations. Since awareness is a necessary condition for inference making, long term associations should lead to more consumer inference making than short term associations. In addition, long term associations may imply greater commitment on the part of the brand to the event. It is expected, then, that long term associations should lead to greater consumer inference making about the commitment of the company to the event than do short term associations. It is also expected that long term associations will lead to more "event facilitation" inferences than short term associations.

Share of Presence

The share of presence a brand has at an event relative to all other sponsors is also expected to impact inference making. Share of presence is a measure of "how much" the

brand is perceived to be sponsoring the event. Things like the amount and prominence of brand signage at the event and on promotional materials for the event are expected to moderately impact perceived share of presence. Naming the event after the brand is expected to have a strong, positive impact on perceived share of presence.

Sole sponsorship of an event would represent 100% share. As the number of co-sponsors at the same level of sponsorship goes up, an individual brand's share of presence at the event goes down. Like duration of association, share of presence is expected to imply commitment of the brand to the event. Therefore, consumers are expected to make more event facilitation inferences about brands with a high share of presence than about brands with low share of presence.

Hypotheses About Specific Inferences

Review of the extant literature on sponsorship and other commercial associations led to the conceptualization of three specific types of inference that might be generated from an exposure to a sponsorship association and might impact brand choice. These inferences are: "brand size," "brand legitimacy," and "event facilitation." These three types of inference, and their a priori relationship to event and associational factors are described below. Other consumer inferences which emerged from the data are described in the results section.

Brand Size

Inferences about brand size occur when a consumer changes (or forms) his/her perception of the size of a firm or brand based on a sponsorship association. As

previously mentioned, there is some evidence from both the sponsorship literature (Rajaretnam 1994), and other literatures (Kirmani 1990), that perceived expenditure can influence perceived firm size. Within the sponsorship context, perceived brand/firm size inferences are hypothesized to be driven by perceived financial ability to sponsor. The idea is that the association cues some response that the brand must have substantial resources to engage in such an association. It can therefore be predicted:

H1: Sponsoring larger events leads to more inferences on the part of consumers that the brand is large.

H2: Longer duration of association between brand and event leads to more inferences on the part of consumers that the brand is large.

H3: Engaging in a sponsorship with a large, as opposed to small, share of presence leads to more inferences on the part of consumers that the brand is large.

Given that inferences about brand/company size are expected to be driven strictly by perceived ability to engage in sponsorship, the congruence between brand and event should not impact perceived size. Therefore:

H4: Brand/event fit does not moderate the relationships in H1-H3

Because of the prediction of "no effect" in H4, a liberal significance value is necessary to test it credibly (i.e. $p>.15$).

Legitimacy

Inference about the legitimacy of a company or brand occur when a consumer changes (or forms) his/her perception of whether this brand is "reasonable" or of some minimum quality because of its association with an event. Sponsorship associations are expected to lead to such legitimacy inferences when a consumer perceives some gatekeeping function on the part of the event, so as to not allow shoddy, or substandard products or companies to be sponsors. Assuming large events have more to lose from an association with a shoddy product:

H5: Sponsoring larger events leads to more brand legitimacy inferences on the part of consumers

Event gatekeeping should be tighter in the long run than in the short run. As a result, long term associations should imply greater endorsement of the brand by the event. Therefore:

H6: Longer duration of association between brand and event leads to more brand legitimacy inferences on the part of consumers

Events should be more scrutinizing gatekeepers for major, as opposed to minor sponsors.

Therefore:

H7: Engaging in a sponsorship with a large, as opposed to small, share of presence leads to more brand legitimacy inferences on the part of consumers

Event gatekeeping should be higher for more related products than for less related products. That is, an event should be more careful not to allow sponsorship by a shoddy event-related product than by a shoddy, non-event-related product. For example, a tennis

tournament should be more concerned about sponsorship by a poor quality brand of tennis balls than about sponsorship by a poor quality bank. Therefore:

H8: Brand/event fit moderates the relationships in H5-H7, such that high fit amplifies these effects

Event Facilitation

Event facilitation inferences occur when a consumer comes to the conclusion that a company or brand is helping to make possible, or improve the quality of an event. Given that small events are more likely to be completely dependent on the goodwill of the sponsor:

H9: Sponsoring smaller events leads to more event facilitation inferences on the part of consumers

Since long term associations should imply more commitment on the part of the sponsor:

H10: Longer duration of association between brand and event leads to more event facilitation inferences on the part of consumers

Since major sponsors should be viewed as doing more to insure the success of the event:

H11: Engaging in a sponsorship with a large, as opposed to small, share of presence leads to more event facilitation inferences on the part of consumers

Since sponsors may contribute technical knowledge and expertise to an event:

H12: Brand/event fit moderates the relationships in H9-H11, such that high fit amplifies these effects

Study 1a

Overview

This study tests the impact of event size, brand/event fit, duration of association and share of presence on inferences about a sponsoring brand. A completely between subjects 2x2x2x2 factorial design exposed subjects to an unfamiliar brand in the context of a poster for an event where the brand was a sponsor (see Appendix H). Unaided and cued open ended inference measures were taken, followed by closed ended inference scale measures.

Design

The study consisted of a 2(big/small event size) by 2(high/low brand-event fit) by 2(long/short duration of association) by 2(high/low share of presence) between subjects design. This design is depicted graphically below.

		Big Event		Small Event	
		high share	low share	high share	low share
Low Fit	long duration				
	short duration				
High Fit	long duration				
	short duration				

FIGURE 4

16 CELL DESIGN FOR STUDY 1A (N=89)

Subjects

Eighty-nine undergraduates in an introductory marketing class at a major southeastern university took part. Each received course extra credit for participation.

Independent Variables:

Four independent variables were orthogonally manipulated. They were event size, brand/event fit, duration of association and share of presence.

Event size

The event class chosen was a running event. Pretesting was undertaken to find two events, which while largely unfamiliar (to make sure subjects would not be aware of the actual sponsors), yet varied substantially in perceived size within the population to be studied. Both actual and fictitious foreign running events were tested for perceived size by twenty subjects. Results of this pretest are shown in Table 4 below. From this data, it was determined that a clean manipulation of perceived size could be accomplished by using two fictitious running events which ostensibly take place in Belgium. These two events, "The Euro-Capitol International Marathon" (mean perceived size 5.35) and "The Leuven Student Fun Run" (mean perceived size 2.50) differed significantly ($F=43.14$, $p<.001$). The use of fictitious, unfamiliar events had the additional advantage of allowing maximum flexibility in manipulating the sponsorship association (see study 1c).

TABLE 2

AVERAGE PRECEIVED SIZE OF RUNNING EVENTS* (N=20)

Running Event	Mean	StDev
AUCKLAND MARATHON	2.90	1.59
BERLIN MARATHON	5.15	1.46
COEUR D' ALENE MARATHON	3.80	1.15
COLOGNE 10K	3.80	2.14
COMRADES MARATHON	3.45	1.90
DUBLIN MARATHON	4.75	1.52
DUSSELDORF MINI-MARATHON	2.75	1.16
EURO-CAPITOL INTNL MARATHON	*5.35*	*1.53*
FIRENZE MARATHON	3.85	1.39
FLETCHER CHALLENGE MARATHON	3.95	1.57
HELSINKI CITY MARATHON	4.30	1.59
JUNGFRAU-MARATHON	2.90	1.07
LEUVEN STUDENT FUN-RUN	*2.50*	*1.19*
LIVERPOOL HALF MARATHON	3.20	1.06
LONDON MARATHON	6.20	0.95
LUXEMBORG 10K	4.00	1.89
MARATHON DES SABLES	2.05	1.05
NEWCASTLE 10K	3.45	1.54
PARIS MARATHON	6.10	1.25
REYKJAVÍK MARATHON	3.55	1.47
ROMA CITY MARATHON	5.65	0.93
ROTTERDAM MARATHON	3.60	1.27
SHANNON CITY FUN-RUN	2.35	1.23
STOCKHOLM MARATHON	4.95	1.05
TILLBERG CITY 10K	2.95	1.36
VIGARANO MARATONA	3.30	1.53

*1=VERY SMALL; 7=VERY LARGE

Brand/event fit

Fit was manipulated by selecting two brands which were equally unfamiliar to the student population and varied substantially in degree of perceived fit with a running event. Ideally, these would be from categories which actually engage in running event sponsorship. Pretesting was performed on thirty-nine brand categories currently involved

in event sponsorship. Twenty subjects rated perceived fit between a running event and each category. Means and standard deviations are provided in Table 3. The two brands chosen are shown in italics. They are coffee (mean perceived fit=2.75), and sports drink (mean perceived fit=6.9). This difference in perceived fit is statistically significant ($F=157.5$, $p<.001$). Coffee and sports drink are both in the beverage category, and both categories have brands which sponsor running events.

Having selected the categories, it was necessary to select the actual brands. Preference was given to actual foreign brands, provided they were very unfamiliar to the subject population. To find such brands of coffee and sports drink, three European sports drink brands and twelve European coffee brands were pretested for familiarity. These brands were embedded with other European brands being pretested for an other study. In all, twenty subjects rated 40 European brands for familiarity. Results of this pretest are shown in Table 4. On a seven point scale, anchored by "never heard of it" and "very familiar," Rombouts Coffee had a mean rating of 1.05, and Extran Sports Drink had a mean rating of 1.35. These differences are not statistically significant, even at a conservative $p=.10$.

TABLE 3

PERCIEVED LEVEL OF FIT BETWEEN A RUNNING EVENT AND SELECTED PRODUCT CATEGORIES

	Mean	StDev
Liquor Store	1.65	0.99
Oil Company	2.00	0.79
Mexican Food	2.20	0.89
Realtor	2.20	0.95
Fast Food Restaurant	2.25	1.12
Wine	2.25	1.02
Ice Cream Bar	2.60	1.05
Candy Bar	2.70	1.98
Software Company	2.70	0.98
Coffee	*2.75*	*1.45*
Brewery	2.95	2.24
Snack Food	3.00	1.78
Soft Drink	3.00	1.92
Steak house	3.00	1.08
Insurance Company	3.30	1.03
Music Store	3.45	1.43
Automobile Manufacturer	3.55	1.47
Drug Store	3.85	1.90
Airline	4.10	1.52
Newspaper	4.10	1.62
Cellular Phone Company	4.20	1.40
Hotel	4.40	1.57
Bank	4.45	1.15
Grocery store	4.55	1.54
Radio Station	4.70	1.42
Film	4.75	1.65
Hospital	4.95	1.70
Low Fat Frozen Entrée	4.95	1.67
Pasta	5.00	2.00
Herbal Tea	5.25	1.33
Fruit juice	6.30	0.98
Health Care System	6.35	0.88
Mineral Water	6.55	0.76
Sporting Goods Store	6.70	0.47
Health Club	6.75	0.91
Performance Drink Concentrate	6.90	0.31
Sports Drink	*6.90*	*0.31*
Athletic Shoe	7.00	0.00
Energy Bar	7.00	0.00

*1=very low fit; 7=very high fit

TABLE 4

MEAN FAMILIARITY WITH VARIOUS EUROPEAN BRANDS

	Mean*	StDev
Max Ice Cream	1.05	0.22
Feast Ice Cream	1.05	0.22
Vescovi Caffe'	1.05	0.22
Rombouts Coffee	1.05	0.22
Jacobs Kaffee	1.05	0.22
Raider Candy Bar	1.05	0.22
Verkade Candy Bar	1.05	0.22
Dextro Energy Bar	1.10	0.31
Brao Caffe'	1.10	0.31
Douwe Egberts Koffie	1.10	0.31
Kanis & Gunnink Koffie	1.10	0.31
Simba Snacks	1.15	0.37
Coffee Rio Candy	1.15	0.37
Cup O Gold Candy	1.20	0.52
Callebaut Candy Bar	1.20	0.52
Droste Candy Bar	1.20	0.70
Extran Energy Bar	1.25	0.72
Torrefazione Italia (coffee)	1.25	0.72
Max Havelarr Koffie	1.25	0.72
Milka Candy Bar	1.25	0.55
Extran Sports Drink	1.35	0.81
Glycomax Sports Drink	1.35	0.75
Magnum Ice Cream	1.35	0.75
Leo Candy Bar	1.35	0.93
Dextro Energy Drink	1.40	1.35
Cornetto Ice Cream	1.40	1.35
P-Nuttles Candy	1.50	1.19
Iglo Ice Cream	1.55	1.28
Whirly pop Candy	1.55	1.10
Zip Candy Bar	1.65	1.18
El Molino Coffee Roasters	1.70	1.38
Fairtime Taffy	1.70	1.17
Bella Café	1.80	1.58
Solero Ice Cream	1.85	1.76
Baker Street Snacks	2.00	1.62
Calippo Ice Cream	2.05	2.52
Amanti Coffee	2.10	1.77
Lindt Candy Bar	2.15	2.18
El Presidente Coffee	2.50	1.88
Bounty Candy Bar	2.60	2.16

*1=never heard of it; 7=very familiar

Duration of association

The duration of association variable was manipulated directly. In the short duration of association conditions, the target sponsor (Rombouts or Extran) was described as "Proud to be a **New Sponsor**." In the long duration of association condition, the target sponsor was described as "Proud to be a sponsor for **5 Years**."

Share of presence

Share of presence was also directly manipulated. In the low share-of-presence condition, the target sponsor was simply listed as one of three sponsors of the event. In the high share-of-presence condition, the target (Extran or Rombouts) was labeled as a "Key Sponsor," whereas the other two sponsors (always Adidas and Generale Bank) were listed as "Associate Sponsors." Also, in the high share of presence condition, the target sponsor's logo was approximately twice as large as the associate sponsors' logos. In the low share-of-presence condition, the logo of the target brand was the same size as the logos of the other two sponsors.

Experimental Procedure

Subjects entered the lab in groups of four to sixteen. On each desk was a packet which contained one of sixteen posters which exposed the subject to one of sixteen combinations of size, fit, duration and share. Each subject saw only one poster. Subjects were instructed to open the packet to the page containing the poster. They were given 60 seconds to "look at the poster as you would if you were to see it while waiting for a bus or train."

Subjects were then instructed to turn to the next page which instructed them as to how to complete the unaided thought listing task. The instructions read:

> On the following page, we would like you to give us your thoughts about the poster you just saw, by writing one thought in each box. Please list in these boxes the thoughts that went through your mind as you looked at the poster. Please list only one thought in a box. You might have positive, negative or neutral thoughts. ALL ARE FINE.
>
> You may ignore spelling, grammar and punctuation, and you may use phrases. Simply write down the first thought that comes to your mind in the first box, the second thought in the second box and so on. Don't worry if you don't fill in every box. Just write down as many thoughts, feelings and reactions as occur to you.

Subjects then turned to the following page which contained seven thought listing boxes. Each box was 1.8 high by 13cm. long. All boxes were centered horizontally, and placed one below the other on the page (see Appendix D). Subjects were given 90 seconds to list their thoughts. At the end of 90 seconds, they were instructed to "finish working on your current thought, but do not go on to an additional box." When all subjects had recorded their last thought, all were instructed to turn to the following page, which contained the instructions for the brand cued thought listing task.

The instructions for the brand cued thought listing task read :

> Now, on the following page, we would like you to give us any thoughts you may have had about the sponsor ROMBOUTS COFFEE (or EXTRAN SPORTS DRINK). As before, please list in these boxes any thoughts that went through your mind about ROMBOUTS COFFEE (or EXTRAN SPORTS DRINK)as you looked at the poster. Please list only one thought in a box. You might have positive, negative or neutral thoughts. ALL ARE FINE.
>
> Again, you may ignore spelling, grammar and punctuation, and you may use phrases. Simply write down the first thought that comes to your mind in the first box, the second thought on the second box and so on. Don't worry if you don't fill in every box. Just write down as many thoughts, feelings and reactions as occur to you.

Immediately afterward subjects were instructed to turn to the following page which contained seven thought listing boxes, identical to those on the first thought listing page. Subjects were given 90 seconds to list their thoughts, this time, specifically about the target brand. At the end of 90 seconds, they were instructed to "finish working on your current thought, but do not go onto an additional box." When all subjects had finished their last thought, they were instructed to turn to the following pages which contained the closed ended inference measures.

At their own pace, subjects evaluated the target brand as to their perception of its size, legitimacy, quality and its facilitation of the event. Manipulation checks for event size and brand/event fit were then taken. Finally, subjects were asked if they had ever: been to Europe, been to Belgium, heard of Rombouts coffee (Extran Sports Drink), run in a marathon, or run in a 10K race.

After completing these closed ended questions, subjects were instructed to turn back to the thought listing pages, and to self code the thoughts they had listed in the boxes. They were instructed to place a mark on the lines to the left of each thought box. They were asked to place a "+" if the thought was positive, a "-" if the thought was negative, and an "n" if the thought was neutral. These self coded valence marks were to used to help the coders understand what the subjects might have meant in ambiguous situations. After completion of the self coding task, the subjects filled out paperwork associated with the extra credit and were allowed to go.

Results

Manipulation Checks

Manipulation checks on perceived size and perceived brand/event fit were taken after all other measures, except for demographic information. The check on the event size manipulation was measured by asking subjects "Overall, how large do you perceive the running event advertised in the poster to be." Responses were given on a single seven point scale, anchored by "a very small event" and "a very large event" Mean response to this scale were 5.13 for subjects in the large event condition and 4.32 for those in the small event condition. This difference is significant ($F=3.62$, $P<.05$), and in the appropriate direction.

Perceived brand/event fit was measured by asking subjects "Overall, how would you rate the fit between the running event advertised in the poster and EXTRAN SPORTS DRINK (ROMBOUTS COFFEE)? Responses were given along a seven point scale anchored by "very poor fit" and "very good fit." Mean response for the high fit groups was 5.39, and for the low fit groups it was 3.32. This difference is statistically significant($F=19.55$, $p<.001$), and in the expected direction.

Closed Ended Inference Measures

The three types of inferences which were predicted, a priori, to be influenced by the event and associational factors, are brand size, brand legitimacy and event facilitation. Because each of these dependent variables is associated with three main effects predictions (impact of event size, duration of association and share of presence) as well as three interaction prediction (fit will or will not moderate each), each dependent variable was

regressed on fit, size, duration and share, as well as the interactions of fit with size, fit with duration and fit with share. Unless otherwise specified, the statistics reported for these predictors on the dependent variables are based on the parameter estimates from a seven degree of freedom, dummy coded regression model.

Impact on Perceived Size of the Brand

Two measures were taken of the perceived size of the brand. Absolute size was measured by a single seven point scale anchored by "one of the smallest sports drinks (coffees) in Belgium" and "one of the largest sports drinks (coffees) in Belgium." Perceived market share was measured by a single seven point scale which asked how large they thought the brand's market share was compared to other category brands in the country. It was anchored by "very small share" and "very large share." Analysis revealed no significant impact of the independent variables on the absolute size measure.

Regressing on the perceived market share variable revealed two significant main effects. First, the size of the event sponsored significantly predicted perceived market share ($F=5.29$, $p<.03$). As predicted, brands which sponsored large events were perceived to have larger market shares. Thus, H1 is supported.

The duration of association also predicted perceived market share ($F=4.87$, $p<.05$). As predicted, brands associated with an event for five years were perceived as having larger market shares than were "new sponsors." Therefore, H2 is supported as well. No support, however, was found for H3. Share of presence at an event had no measurable impact on perceived market share of the brand ($F<1$).

H4, which predicted no moderating effect of brand/event fit was not fully supported. The moderating role of fit on the impact of duration on perceived brand share (as measured by the interaction of fit and duration) was non-significant ($F<1$). This is as predicted. It appears, however, that fit may have some moderating role in the impact of event size on perceived market share. While the interaction of fit with event size did not reach traditional levels of significance, it was close ($F=3.52$, $p<.07$, $\omega^2=.02$). While this is not strong support for a moderating role of fit, neither is it strong support of H4 which predicted no interaction. The effect size associated with this interaction falls within what Cohen (1977) refers to as a small effect. The power of this experiment to detect an effect of this size is only .37. In order to obtain a power of .80 to detect such an effect, the sample size for this experiment would need to more than double from 89 to just over 200.

To further explore this interaction, the data was split into a high fit and a low fit group. Event size was then regressed on perceived share for each of the two fit groups. In the high fit group, event size had a significant impact on perceived market share ($F=8.13$, $p<.01$). In the low fit group, event size had no measurable impact on perceived brand share. Caution is necessary in interpreting these results, however, remembering that the original interaction term was not significant.

Brand Legitimacy

An attempt was made to measure subjects' perception of the legitimacy of the sponsoring brand using two seven point scales. The first asked "How legitimate of a sports drink (coffee) do you perceive Extran (Rombouts) to be?." The scale was anchored by "A fly-by-night brand" and "a legitimate brand." The second asked "How

'real' of a brand do you perceive Extran (Rombouts) to be?." The scale for this question was anchored by "not very real" and "very real." None of the independent variables had any significant impact on either of these two variables.

The simple logic that levels of gatekeeping by the event could translate into legitimacy for a sponsoring brand made exploring legitimacy inferences, as opposed to overall quality inferences, appealing Because it was anticipated, however, that the concept of legitimacy would be difficult to convey to subjects in survey form, a direct measure of perceived quality was also taken. This question asked "what do you think the quality level of Extran (Rombouts) is likely to be?" The scale was anchored by "very poor quality" and "very high quality."

Regression of the independent variables on perceived quality yielded one significant main effect. Event size significantly predicted perceived quality ($F=5.5$, $p<.03$). This was in the predicted direction. Brands associated with large events were perceived to be of higher quality than were brands associated with small events. This supports H5. Support for H8 was not found, however, in that fit did not moderate this effect. The Interaction of event size with fit had no impact on perceived quality ($F=1.1$, $P>.25$). No support was found for H6 or H7. Neither duration nor share had any measurable influence on perceived quality ($F<1$ for both).

Event Facilitation Inferences

Two measures of event facilitation inferences were taken. The first, called event enabling, attempted to measure inferred importance of the brand to the event taking place

at all. The other, called event helping, attempted to measure inferred importance of the brand to the event being a success.

Event enabling was measured by asking "how important do you think the support of EXTRAN SPORTS DRINK (ROMBOUTS COFFEE) is to the sponsored event taking place." The scale was anchored by "not important at all" and "very important." The independent variables had no significant impact on brand enabling.

Event helping was measured by asking "How important do you think the support of EXTRAN SPORTS DRINK (ROMBOUTS COFFEE) is to the success of the sponsored event." The scale was anchored by "not important at all" and "very important." The independent variables were regressed on brand helping. Weak support was found for H10. A long duration of association with an event seems to have some effect on event helping inferences. This effect was not statistically significant at traditional levels ($F=3.02$, $p<.09$). Counter to prediction, this effect was not moderated by fit ($F=1.22$, $p.>25$) Therefore, H12 is not supported. No support was found for H9 or H11. Neither event size nor share of presence had any measurable impact on event facilitation inferences.

Open Ended Inference Measures (Thought Listings)

The thoughts in the thought listing boxes were coded by two independent raters who were naïve to both experimental condition and hypothesized relationships. Initially, the thoughts were to be coded only for brand size, brand legitimacy and event facilitation inferences. An iterative process of looking at subsets of the data and updating led to an additional class of inference-making which was included in the final coding scheme. The additional inference class included was termed "commercial motive." Thoughts coded as

commercial motive inferences included negative inferences about the brand because of the association, such as "this is a waste of money" or "probably raise price to pay for event."

Each rater independently coded all of the thoughts. Initial agreement between raters was quite high. Out of a total of 826 thoughts, the coders matched on 784 (94.9% of the time). The remaining discrepancies were reconciled through discussion and mutual agreement. Of the 89 subjects, 29 made a total of 46 inferences about the sponsoring brand. The other 60 subjects listed no thoughts which could be considered inferences about the brand.

The fact that about one third of subjects who saw a poster for an event listed an inference about a sponsoring brand is encouraging. With 46 total inferences made, however, it was unlikely that enough power would be available to test the impact of the four independent variables on each of the four kinds of inferences. Given that number of inferences is count data, a series of log-linear models were run to determine if any impact of fit, size, duration, share and the three fit interactions could be detected on each of the four inferences. As expected, no significant results were found.

In order to test whether any impact of the independent variables on inference making could be detected, the data was re-coded to create a new variable "total inferences." This variable was a simple summation of the four individual types of inference. Individual loglinear models tested the impact of fit, size duration and share on the total number of inferences made. This analysis revealed a strong main effect of fit on overall inference-making (Chi Sq.=7.02, $p<.01$). The direction of this effect was that subjects exposed to high fit associations made more inferences (Mean =.72) than did

subjects exposed to low fit associations(mean=.31) Some caution must be used, however, before attempting to interpret this result (see study 1b).

Discussion

Results of study 1a are quite encouraging. Support was found for H1 (large event leads to large brand inference), and H2 (long duration leads to large brand inferences). The finding that aspects of a sponsorship association can significantly impact perceived size of the brand is totally new in an experimental setting. If replicable, this finding should be quite interesting for brand categories in which large size has a positive impact on choice probability (see chapter 10).

H5 (large event leads to brand legitimacy(quality) inferences) was also supported. Somewhat surprisingly, this effect was not moderated by brand/event fit. It made no difference whether there was good or poor fit with the event. For both sports drink and coffee, sponsoring a large running event led subjects to infer greater quality than sponsoring a smaller one.

H10 (long duration leads to "event facilitation" inferences) received weak support. It certainly makes sense that associating one's brand with an event for a long period of time would lead people to infer greater facilitation on the part of the sponsor. Here again, and counter to prediction, fit did not moderate the effect. For both sports drinks and coffee, sponsoring a running event for a long time led to more facilitation inferences than did being a "new sponsor."

The open ended data yielded considerable evidence of spontaneous inference-making about a sponsoring brand. The number of each of the four specific inferences,

however, was not great enough to detect effects on specific effects. The open ended data did reveal that fit between brand and event might facilitate overall inference making about the brand. That is, sponsorship association with high fit (Extran) led to more inferences about the brand than did the association with low fit (Rombouts).

Generalizability of these findings beyond a single type of event is, of course, unwarranted. By choosing to manipulate fit by holding event constant and varying the sponsor, fit is essentially confounded with brand. One way to increase the generalizability of the findings would be to choose both another event and a set of two new brands. Here again fit would be confounded with brand. Another approach is to find another class of event which has a high fit with coffee, and a low fit with sports drinks. If the results replicate in this case, both the overall generalizability, and the internal validity of the fit construct, will be enhanced. Study 1b, then, attempts to replicate the findings of study 1a with an event for which coffee has a high fit and sports drinks have a low fit. Since no evidence of the share of presence manipulation was found, this factor is eliminated from the design of study 1b. A stronger manipulation of share is attempted in study 1c.

Study 1b

Overview

This study attempts to replicate the findings of study 1a using a different event category for which fit is reversed (see above). It again tests the impact of event size, brand/event fit and duration of association on inferences about a sponsoring brand. A completely between subjects 2x2x2 factorial design exposed subjects to an unfamiliar brand in the context of a poster of a similar format to that used in study 1a. As before,

unaided and cued open ended inference measures were taken, followed by closed ended inference scale measures, manipulation checks and demographic information.

Design

The study consisted of a 2(big/small event size) by 2(high/low brand-event fit) by 2(long/short duration of association) between subjects design. This design is depicted graphically below:

		Big Event	Small Event
Low Fit	long duration		
	short duration		
High Fit	long duration		
	short duration		

<u>FIGURE 5</u>

8 CELL DESIGN FOR STUDY 1B (N=80)

Subjects

Eighty undergraduates in an introductory marketing class at a major southeastern university took part. Each received course extra credit for participation.

Independent variables:

Three independent variables were orthogonally manipulated. They were brand/event fit, event size, and duration of association.

Brand/event fit

Pretesting was conducted to find a category of event which had significantly higher fit with coffee than with sports drinks. Brainstorming led to a list of potential events. Fourteen subjects rated perceived fit between each product category and both coffee and sports drink. Literature festivals met this criterion ($F=71.7$, $P<.001$). Mean perceived fit with coffee was 5.71, whereas mean perceived fit with sports drinks was 1.64.

Event size

Manipulation of event size was accomplished as similarly to that used in study 1a as possible. Posters for two fictitious events were created. They were pretested for perceived size by separate groups of subjects, drawn from the same population as the main experiment. Eighteen subjects rated their perception of the size of "The European Union International Literature Festival and Poetry Competition," along a seven point scale anchored by "a very small event" and "a very large event" (mean=5.1) Eighteen others rated the "Leuven City Library Literature Festival and Poetry Competition" along the same scale (mean=4.6). The difference between these two was not statistically significant.

In order to increase the strength of the manipulation, additional information about the events was included in the posters. The poster for the small event listed the speakers as Wilfried Vanhonacker(Head Librarian), Luk Warlop (Poetry Club President) and Christophe Van Den Bulte (Literature Professor). The poster for the large event listed "Her Royal Highness Queen Fabiola," Kurt Vonnegut, Hugo Claus (Poet laureate of Belgium) and Seamus Heaney (Winner of the 1995 Nobel Prize in Literature).

Thirty-six additional subjects were exposed to one of the two revised posters and rated their perception of event size as described above. With the strengthened manipulation "The European Union International Literature Festival and Poetry Competition" had a mean rating of 5.7 whereas the "Leuven City Library Literature Festival and Poetry Competition" had a mean rating of 3.2. This difference is significant ($F=12.78$, $p<.01$). These two posters were then used for the main experiment.

Duration of association

Duration of association was manipulated as described previously.

Brand logo size and placement

Brand logos were the same size as in the low share-of-presence conditions in study 1a. Due to the nature of the event, one of the filler sponsors(Adidas) was replaced by a more logical associate (Coolkat Books).

Results

Manipulation Checks

As before, manipulation checks on perceived size and perceived brand/event fit were taken after all other measures, except for demographic information. Using the same scales as before, the difference between large size (mean=5.35) and small size (mean=3.42) was significant ($F=29.5$, $p<.001$). The difference between high fit (5.25) and low fit (mean=2.55) was also significant ($F=59$, $p<.001$).

Closed Ended Inference Measures

Impact on perceived size of the brand

As in study 1a, the size of the event had a measurable impact on one of the perceived size variables . Event size significantly predicted absolute perceived size ($F=4.74$, $p<.05$). Once again, brands associated with large events were perceived to be bigger than brands associated with small events. As in study 1a and in contradiction to original prediction, brand/event fit appeared to have a weak, moderating role ($F=2.72$, $p<.11$, $\omega^2=.02$). The power of this experiment to detect this small effect was 0.18. In order to obtain a power level of .80 to detect this effect, sample size would need to increase from 80 to 224. Unlike in study 1a, duration of association had no impact on perceived brand size.

Impact on brand legitimacy and event facilitation

Unlike in study 1a, event size had no measurable impact on perceived quality or legitimacy. Duration of association also had no impact on brand legitimacy inferences. The impact of duration of association on event facilitation did not replicate. Event size also had no measurable impact on event facilitation inferences.

Open Ended Measures

Once again two raters independently coded all of the thoughts. Initial agreement between raters was again quite high. Out of a total of 728 thoughts, the coders matched on 701 (96.3%). The remaining discrepancies were reconciled through discussion and

mutual agreement. Of the 80 subjects, 20 made a total of 26 inferences about the sponsoring brand. The other 60 subjects listed no thoughts which could be considered inferences about the brand.

Once again the small number of overall inferences made it unlikely to be able to detect effects of event size and duration of association on specific inferences. As expected, none was detected. As before, a series of loglinear models were used to look for effects of the predictors on total inferences.

Just as in study 1a, fit seemed to have an impact on overall inference making (Chi Sq=3.64, $p<.06$). The low fit group made an average of .45 inferences, whereas subjects in the high fit group made an average of .20 inferences, meaning the effect of fit found in 1a had reversed! Therefore, it should be immediately obvious that the increased inference making in 1a was not necessarily the result of fit, but some other aspect of Extran Sports Drink.

Discussion

Study 1b provided a good bit of additional insight into the consumer inference making process, and how it can be influenced by event and associational factors. By replicating the significant impact of event size on perceived brand size, greater confidence in the robustness of this effect is obtained. As mentioned previously, such an effect should be of great interest for categories in which perceived brand size strongly impacts choice.

Secondly, and of considerable importance, is the complete reversal of the impact of fit on the total amount of inference making. This relationship is depicted below in Figure 6.

	Low Fit		High Fit
Study 1a Running Event	Rombouts Coffee	<	Extran Sports Drink
Study 1b Literature	Extran Sports Drink	>	Rombouts Coffee

FIGURE 6
DIFFERENCES IN TOTAL INFERENCE MAKING BETWEEN HIGH AND LOW FIT GROUPS FOR STUDIES 1A AND 1B

Study 1a seems to support a positive impact of fit on inference making. Study 1b seems to support a negative impact of fit on inference making. The parsimonious explanation for this pattern of data is that some aspect of Extran Sports drink, and not brand/event fit, is driving the differences in inference making. Without the second study, researchers in the domain of sponsorship might have begun to look for boundary conditions (i.e. when fit facilitates inferences and when it does not). Fortunately, the intentionally conservative design employed in these first two studies has eliminated any chance of following such a false path.

There are any number of reasons why one might expect more inferences to be made about a sports drink than a coffee. Perhaps there are more attributes to think about. Perhaps encountering an unfamiliar sports drink is more unusual than encountering an unfamiliar coffee. Whatever the reason, it seems clear that the particular brand, not fit with the event, is not driving the number of inferences made.

Thus far, a good deal has been learned about fit, duration and event size. Study 1a, however, found no measurable impact of share of presence. Since the manipulation of share in study 1a represented a somewhat limited range of the share of presence construct, study 1c explores the impact of a much more intrusive (and managerially pertinent) level of share of presence: "title sponsorship," or putting the brand name into the name of the event.

Study 1c

Overview

This study attempts to extend study 1a by putting the brand name into the name of the event during exposure. A completely between subjects 2x2 factorial design exposed subjects to an the same unfamiliar brands as in study 1a. Once again, unaided and cued open ended inference measures were taken, followed by closed ended inference scale measures.

Subjects

Sixty-two undergraduates in an introductory marketing class at a major southeastern university took part. Each received course extra credit for participation.

Design

The study consisted of a 2(big/small event size) by 2(high/low brand-event fit) between subjects design. This design is depicted graphically below:

	Big Event	Small Event
Low Fit		
High Fit		

FIGURE 7

4 CELL DESIGN FOR STUDY 1C

Independent Variables

Two independent variables, event size and brand/event fit , were orthogonally manipulated. Fit was manipulated exactly as in study 1a . Associating a running event with a coffee represented low fit and associating a running event with a sports drink represented high fit. The small size event was again a "student fun run," but this time it was either the "Rombouts student fun-run" or the "Extran student fun-run." The large size events were the "Rombouts Euro-Capital International Marathon" or the "Extran Euro-Capital International Marathon."

Results

Manipulation Checks

Using the same scales as before, the high fit mean was 5.56 and the low fit mean was 3.13 on the fit check measure. This difference is significant ($F=43$, $p<.001$). The

large event size mean was 5.2, and the small event size mean was 3.7 on the size check measure. This difference is statistically significant as well ($F=13.43$, $p<.001$).

Closed Ended Measures

Once again, sponsoring a large event impacted the perceived absolute size of the brand ($F=3.05$, $p<.086$). As before, associating a brand with a large event led subjects to infer that the brand is large. This effect may again have been moderated by fit ($F=2.8$, $p<.10$, $\omega^2=.02$). The power of the experiment to detect this effect was 0.47. To obtain power of .80, sample size would need to increase from 62 to 172. Event size once again also had a strong positive impact on perceived quality ($F=12.09$, $p<.001$) While this effect was found in study 1a, the impact appears to be much stronger under title sponsorship (this possibility is tested below). No other significant effects were detected.

To test whether title sponsorship impacted inference-making, the two data sets from 1a and 1c were combined. This allowed a comparison of the same brands associated with the same events. The only difference was whether or not the target sponsor was a title sponsor.

This analysis revealed that title sponsorship can aid event facilitation inferences. The difference in response to the event enabling measure was significantly higher in study 1c than in study 1a ($F=5.54$, $p<.03$). This effect was not moderated by event size ($F<1$). Therefore, it appears that being a title sponsor leads to more event facilitation inferences regardless of whether the event sponsored is large or small. No other significant effects of title sponsorship on inference making were found.

Since the effect of event size on perceived quality appeared to be bigger under title sponsorship, the interaction of title sponsorship with event size was tested to see if this difference was significant. A model which regressed size, title sponsorship and their interaction on quality was run. In this combined model, event size still has a significant impact ($F=5.54$, $p<.02$), but neither the main effect of title sponsorship ($F=1.86$, $p>.15$) nor its interaction with event size ($F<1$) was significant. Therefore no statistical support is found for an amplification of the impact of event size on perceived quality under title sponsorship.

Open Ended Measures

As in 1a and 1b, two raters independently coded all of the thoughts. Initial agreement between raters was high. Out of a total of 561 thoughts, the coders matched on 519 (92.5%). Discrepancies were again reconciled through discussion and mutual agreement. Of the 62 subjects, 24 made a total of 43 inferences about the sponsoring brand. The other 38 subjects listed no thoughts which could be considered inferences about the brand.

Once again the small number of overall inferences made it unlikely to be able to detect effects of event size and duration of association on specific inferences. As expected, none was detected. As before a series of loglinear models were used to look for effects of the predictors on total inferences. No impact of either fit or size was detected on total inference making.

Discussion

This study further supports the impact of sponsoring large events on perceived size of the brand. It also replicates the significant impact of event size on perceived quality. While this effect initially looked to be bigger under title sponsorship, the formal statistical test did not support this conclusion. Nonetheless, these replications do add support to the previous finding that the size of a sponsored event can influence important inferences about the sponsor.

Comparing the data in this study with that in 1a also revealed a strong impact of title sponsorship on event facilitation inferences. Being a title sponsor led to a much greater perception that the event was being "made possible" by the sponsor. Given the costs associated with title sponsorship, this should be a most interesting finding to those engaged in tactical sponsorship decision making (i.e. being the title sponsor at one event vs. being an associate sponsor at many).

Once again, while over one third of the subjects generated spontaneous inferences about the brand, the inadequate number of inferences prevented the detection of any effects of the independent variables on specific inferences. One way to further explore the data with greater statistical power was to combine the open ended data from the three studies. Since subjects did not have equal probability of inclusion in each of the three studies, results of this analysis are not based on a true experiment. The potential for additional insight into the spontaneous inference-making process, however, makes such an analysis worthy of consideration.

Additional Cross-Study Analysis

Because event size and fit were manipulated across all three experiments, effects of these two variables are tested on the pooled data from all three studies. Impact of duration, which was manipulated in 1a and 1b, but held constant in 1c, is tested on pooled data from studies 1a and 1b only. Since share was manipulated only in 1a, no additional analysis is possible. The impact of title sponsorship is also tested further. Since title sponsorship was explored only in the context of a running event, it is confounded with event type. Therefore, title sponsorship was tested on the pooled data from 1a and 1c (the two running event studies) only.

Total inferences and the four classes of spontaneous inferences were regressed on fit and size. This was done using the pooled data from all three studies. No additional significant effects were detected.

Total inferences and the four classes of spontaneous inferences were regressed on duration of association using the pooled data from 1a and 1b. One significant effect was found. Here duration of association significantly predicted the number of brand size inferences made (Chi Sq.=3.9, $p<.05$). Therefore, the support for H2 found with the closed ended data in study one is replicated with the spontaneous inference data.

Finally, the four classes of inference, as well as total inference making, were regressed on title sponsorship using pooled data from 1a and 1c. This analysis also revealed one significant effect. Title sponsorship significantly predicted the number of commercial association inferences made (Chi Sq.=4.3, $p<.05$). It appears, therefore, that while naming an event after a brand has positive effects (facilitation inferences) it also may have a downside (more inferences about the commercial intent of the sponsor).

The additional across-studies analysis further supported one effect and uncovered a new one. Replicating the positive impact of duration of association on making the inference that the brand is large is important. Finding such confirmation from data gathered before any mention had been made to the subjects about the size of the brand is indeed exciting. It not only replicates a previous finding, it demonstrates that attributes of a sponsorship associations can influence inference making about brand size without ever mentioning the size of the brand to the subjects. Subjects in the long duration of association condition made inferences about brand size at more than three times the rate of those in the short duration-of -association condition.

The new finding from this analysis is also quite interesting. The fact that being a title sponsor may also have a downside is an intriguing possibility which has implications for tactical sponsorship decisions. For example, if a brand is attempting to engage reciprocity through a sponsorship which it hopes will lead to event facilitation inferences, it may want to be a title sponsor. Being a title sponsor, however, might also lead to more negative inferences, such as "they are just trying to sell me something." When, and for whom, each of these inferences is more likely is certainly fertile ground for further research

Overall Discussion and Limitations of Studies 1a-1c.

The series of three studies presented in this chapter have yielded quite a bit of information about the impact of event and associational factors on consumer inference making about sponsoring brands. A summary of findings from these three studies is presented below in Table 5.

TABLE 5

SUMMARY OF SUPPORT FOR THE MAIN EFFECTS HYPOTHESES IN STUDIES 1A, 1B, AND 1C

	Study 1a	Study 1b	Study 1c	open ended	Any Support
H1 - Large event leads to "large brand" inference	**	**	*		YES
H2 - Long duration leads to "large brand" inference	**		-----	**	YES
H3 - Large share leads to "large brand" inference		-----			NO
H5 - Large event leads to "legitimate brand" inference	**		***		YES
H6 - Long duration leads to "legitimate brand" inference			-----		NO
H7 - Large share leads to "legitimate brand" inference		-----			NO
H9 - Small event leads to "event facilitation" inference					NO
H10 - Long duration leads to "event facilitation" inference	*		-----		YES
H11 - Large share leads to "event facilitation" inference		-----	**		YES

*=p<.10 **=p<.05 ***=p<.01 --- = Not Tested

As the table makes clear, the hypothesis receiving the most robust support is H1. In all three studies, evidence was found that associating a brand with a larger event leads people to believe that it is a larger brand. The other hypothesis to receive support in multiple studies is H5. Associating a brand with a larger event appears also to improve perceptions of quality. These results seem to indicate that event size does matter. Being associated with large events can lead to at least two positive inferences about the brand.

Duration of association also was found to impact inference making. Using pooled, open ended data, a main effect of duration on perceived brand size was found. This result is especially interesting because it was obtained without cueing subjects about any brand attribute. The inferences were spontaneously generated. The impact of duration on

perceived size was also obtained from the close-ended data in study 1a. This lends additional support for the robustness of the effect.

In the comparison of Study 1c to 1a, title sponsorship was found to impact event facilitation inferences. The same analysis revealed, however, that being a title sponsor can also lead to a greater number of negative, commercial motive inferences. As mentioned previously, an important issue for future research will be to explore when consumers make each type of inference.

This series of studies has examined how event and associational factors impact consumer inference making about brands. The first stage of the inference based model (see Figure 3) also includes the potential for audience factors to impact the inference making process. This issue is addressed in the next chapter.

CHAPTER NINE

THE IMPACT OF AUDIENCE FACTORS AND FIT ON BRAND INFERENCES

To explore only the effects of the event and the association on consumer inference making would ignore one crucial term in the equation: the consumer. This chapter looks at how audience involvement with an event impacts the kinds of inferences that are drawn from an association. Specifically, it examines how the intrinsic personal relevance of the event, felt involvement with the event, and event domain knowledge impact inference making about a sponsor of the event.

The first set of studies (1a, 1b and 1c) explored inference making about unfamiliar brands associated with unfamiliar events. While experimental realism (i.e. task involvement) was high, subject involvement with the events and the brands was quite low. The brands used were unfamiliar to the subjects and the events used were fictitious. For these reasons, it would be quite difficult to examine the role of audience involvement with the event using one of the events from the previous studies.

When studying the impact of audience involvement on inference making, two possible approaches are available. One option is to attempt to manipulate involvement with a real or an imaginary event. The other option is to select a real event, and measure subjects' extant involvement and knowledge. Because exploring how sponsorship works is a largely substantive endeavor, external validity is a key consideration. For this reason

option two, measuring involvement with an extant activity, was chosen as the method of choice.

Well known, popular events were chosen so as to ensure that some subjects would exhibit measurable levels of involvement with the events. Because real events are used, it was thought that associating fictitious or unfamiliar brands with them would lead to unacceptably low levels of mundane realism. Rather, real brands were chosen for association with the event. In the key study (2a), the brands chosen are actual sponsors of the event.

Because real brands are used, it is unlikely that a single experimental exposure will influence perceived brand size, legitimacy or quality. Event facilitation and commercial motive inferences, however, might still be influenced by associational variables. It is these inferences, therefore, that are the focus of this pair of studies.

Extant commercial association research, such as brand extension and celebrity endorsement has not addressed the issue of involvement with the "provider." This makes the current study of how involvement with an event impacts inferences about a sponsoring brand largely exploratory. For this reason, no formal hypotheses are provided.

This set of studies looked at the impact of audience involvement on inference making. Study 2a is the main study. Study 2b is used to check for a possible confound of fit with brand. The manipulation of fit in study 2a is reversed in study 2b (as was done in 1a and 1b). This allows any impact of fit in the key study (2a) to be checked in 2b, to make sure the effect is the result of fit, and not some other aspect of the two sponsoring brands. The "flipped fit" is depicted in figure 8 below.

	Low Fit	High Fit
Study 2a U.S Open (Tennis)	Texaco	Evian
Study 2b Indy 500	Evian	Texaco

FIGURE 8

DESIGN FOR STUDIES 2A AND 2B

Study 2a

Overview

Subjects are exposed to an actual high or low fit sponsorship association by viewing a poster for the US Open Tennis Tournament. The poster featured either a high fit or a low fit sponsoring brand. They then responded to open and closed ended measures of inference making about the sponsoring brand (similar to studies 1a-1c). They then rate their involvement with, and subjective knowledge of tennis. Finally, they are quizzed on their actual knowledge of the rules of tennis.

Subjects

Thirty-eight undergraduates in an introductory marketing class at a major southeastern university took part. Each received course extra credit for participation.

Design

The simple design consists of a single, two level variable (high/ low brand-event fit), which is manipulated between subjects. Covariates relating to involvement with and knowledge about tennis are included for a planned analysis using ANCOVA.

Independent Variable

The manipulated independent variable is brand/event fit. The event chosen was the US Open tennis tournament. A list of the 19 actual sponsors of the US Open were pretested for perceived fit with the event. Forty-six subjects rated the fit between these brands and the US Open (see Table 8). The high fit brand selected was Evian. Along the same seven point scale used previously, Evian had a mean fit rating of 6.8. The low fit brand chosen was Texaco, which had a mean fit rating of 2.8. This difference in perceived fit is significant ($F=329$, $p<.0001$).

Several audience factors, or attributes of the relationship between the audience and the event, were measured. The intrinsic personal relevance of the event, and felt involvement with tennis were measured. Domain knowledge about tennis (both objective and subjective) was then assessed.

Felt involvement is a point-in-time measure of a consumer's involvement with an event. It includes both enduring and situational components, and represents an instantaneous measure of the level of meaning of an event in a person's life. It was measured immediately after exposure to the poster using two seven point scales anchored by "strongly agree" and "strongly disagree" Item one was "The message I just saw was

important to me." Item two was "The poster didn't have anything to do with me or my needs."

TABLE 8

PERCEIVED FIT BETWEEN THE US OPEN AND 19 ACTUAL SPONSORS (N=46)

Brand	mean	stdev
Tyco	2.46	1.38
Texaco	2.80	1.42
Mass Mutual	3.02	1.53
Tiffany	3.13	1.92
Heineken	3.57	2.08
Prudential	3.59	1.94
Chase	3.80	1.64
NY Times	4.11	1.72
Infiniti	4.33	1.94
IBM	4.41	1.94
Citizen	4.87	1.73
AmEx	5.35	1.59
Pepsi	5.80	1.24
Canon	5.91	1.26
Fuji	5.98	1.58
Fila	6.57	0.93
Evian	6.80	0.45
Tennis Mag	6.91	0.35
Wilson	6.93	0.33

Subjects then performed a set of thought listing tasks identical to those in 1a-1c. Following this, they filled in the closed ended inference measures. Because event facilitation inferences were key to this study, a three item scale was developed to measure "perceived event facilitation." All three items were anchored by "not important at all" and "very important." The three items were "how important do you think the support of Evian (Texaco) is to the US Open Taking Place," "how important do you think the support of Evian (Texaco) is to the success of the US Open," "how important do you think the support of Evian (Texaco) is to the quality of the US Open." The Cronbach

alpha for these three items was over .85, so the three items were combined into a single measure of perceived event facilitation.

Because "commercial motive" inferences emerged in previous open ended data, a closed ended measure of commercial motive inference-making was added. A seven point scale measured agreement with the statement "Evian (Texaco) is just trying to get a lot of people to see their name." This scale was anchored by "strongly disagree" and "strongly agree." A manipulation check was then taken for fit between the brand and the US Open, as was a measure of the perceived size of the event.

Subjects then rated their involvement level with tennis using a twenty item form of the "Personal Involvement Inventory," or PII (Zaichkowsky, 1985). Instructions for completion of the PII were as follows:

> Now, we would like you to please take a moment (approximately 5-10 seconds) to think about **tennis and what it means to you.** Then complete these scales with regards to tennis.

The scales were anchored by items like "important/unimportant," "trivial/fundamental," and "boring/fascinating."

Subjects then rated their subjective knowledge about tennis. They expressed their level of agreement with the statement "I know a great deal about the game of tennis." The scale was anchored by "strongly agree" and "strongly disagree."

Subjects then completed the intrinsic source of personal relevance, or ISPR scale (Celsi, Chow, Olson, and Walker, 1992), adapted to tennis. Agreement was measured with five items along a seven point "strongly agree/strongly disagree" scale. The five items were "playing tennis lets people see me as I would ideally like to be seen," "tennis helps me attain the type of life I strive for," "I can make connections or associations

between tennis and experiences in my life.," "tennis is of high personal relevance to me," and "tennis helps me express who I am."

Subjects then listed the number of times they had played and watched tennis in the last week, month, and six months. Finally, subjects took a 12 question quiz about the rules of playing and scoring tennis. This represented the "objective knowledge" measure.

Results

Manipulation Check

On the same scale used in previous studies, the high fit brand (mean=5.65) was rated as having better fit with the event than the low fit brand (mean=2.89) This difference is statistically significant ($F=49.69$, $p<.0001$)

Close Ended Data

The overall analysis strategy was to determine if fit impacted inference making, and if so, if any of the audience factors moderated the relationship. Fit had no measurable impact on inferences about the commercial motive of the sponsor ($F=1.82$, $p>.15$). It did however, have a significant, positive impact on event facilitation inferences ($F=6.64$, $p<.02$). The high fit brand (Evian) was perceived as doing more to help the event than was the low fit brand (Texaco).

A series of ANCOVAs were then run to test which, if any, of the audience factors might moderate this relationship. These models revealed no moderation by frequency of watching, frequency of playing, ISPR, PII, or felt involvement. Significant moderation was found, however, for both subjective ($F=4.15$, $p<.05$), and objective ($F=12.89$,

$p<.001$) domain knowledge (as measured by the interaction term in a model containing fit, the knowledge variable, and the interaction of fit and the knowledge variable).

To see the nature of the fit by subjective knowledge interaction, the data was split at the mean of subjective knowledge. Separate follow up analysis then tested the effect of fit on event facilitation for each of the two subjective knowledge groups. This analysis revealed that for the high subjective knowledge subjects, fit had no impact on event facilitation inferences ($F<1$). For low subjective knowledge subjects, however, Fit had a strong, positive impact on event facilitation inferences ($F=11.99$, $p<.01$)

In the same way, the data was split at the mean of objective knowledge. Here again, for high knowledge subjects, fit had no impact on event facilitation inferences ($F<1$). For the low knowledge subjects, fit had a strong and significant effect on perceived event facilitation ($F=25.66$, $p<.0001$).

Open Ended Data

Open ended inference measures were coded as before. Overall initial agreement between the two raters was quite high. Out of 316 total thoughts, they agreed on 293 (92.7%). Discrepancies were resolved as before. Inferences about the sponsor were made by 12 out of 38 subjects. A total of 12 brand inferences were made. No impact of fit or any audience factors was detected on any of the four specific inferences. Neither was any impact of fit or the audience factors detected on total inference making. Given the small number of inferences, however, the lack of significant results may be due to low power.

It appears that the main effect of fit on event facilitation inferences was being driven by subjects with low knowledge levels about tennis. Before discussing the

implications of this finding, however, it is necessary to make sure that event facilitation is being driven by fit, and not some other aspect of Evian and Texaco. To this end, study 2b checks to see if the main effect result replicates when Texaco is high fit and Evian is low fit.

Study 2b

Overview

This study replicated the method in 2a by using an event with high perceived fit with Texaco and low perceived fit with Evian . Open and closed ended measures of event facilitation and commercial motive were taken. Since the event which best "flipped the fit" was exclusively a spectator sport, it did not make sense to measure the audience factors used in 2a. This study simply checks for the confound of fit with brand in fit's impact in inference making.

Subjects

Forty-one undergraduates in an introductory marketing class at a major southeastern university took part. Each received course extra credit for participation.

Design

The design is identical to 2a, except the event was changed so as to make Evian the high fit event and Texaco the low fit event.

Independent Variable

In order to find an event for which Evian had high fit and Texaco low fit, a pretest was conducted in which 13 subjects were asked to rate perceived fit between both brands and several large events. The Indianapolis 500 was chosen. This event had a mean perceived fit with Evian of 5.07, and a mean perceived fit with Texaco of 6.38. These differences are statistically significant ($F=7.41$, $P<.02$)

Results

Manipulation Check

Using the same manipulation check scales as in previous studies, mean perceived fit was 5.9 for the high fit brand and 2.62 for the low fit brand. These differences are statistically significant ($F=56.03$, $p<.0001$).

Closed End Inference Measures

Mean perceived event facilitation, as measured by the summation of the three, seven point scales, is 7.52 for the low fit group and 10.45 for the high fit group. This difference is significant ($F=5.28$, $p<.03$), and in the same direction as in 2a. This supports the conclusion that fit, and not extraneous brand factors, had amplified event facilitation inferences. No impact of fit on commercial motive inferences were found ($F<1$).

Open Ended Inference Measures

Open ended inference measures were coded as before. Overall initial agreement between raters was reasonably high. Out of 276 total thoughts, they agreed on 232

(91.3%). Discrepancies were resolved as before. Inferences about the sponsor were made by 14 out of 41 subjects. A total if 19 brand inferences were made. No impact of fit or any audience factors was detected on any of the four specific inferences. Neither was any impact of fit or the audience factors detected on total inference making.

Replicating the impact of brand/event fit on event facilitation inferences lends credibility to the assumption that this effect is truly being driven by fit, and not anomalous factors associated with the two brands. Instead of revealing a confound as was the case in the comparison between 1a and 1b, the possibility that this effect is being driven by brand and not fit is strongly refuted.

Unfortunately the spectator-only nature of Indy Car racing made replicatory measures of many audience factors seem unrealistic. Asking subjects, for example, their level of agreement with "Indy Car racing helps me attain the type of life I strive for" seemed unreasonable. In hindsight, it is clear that measures of subjective, and objective knowledge of Indy Car racing could have been taken. While the objective measures would have been somewhat difficult to calibrate, the objective measure alone would have been valuable. This shortcoming, however, should not diminish the interesting finding of study 2a.

Overall Discussion

The purpose of this chapter was to explore the role of audience factors on inference making about sponsoring brands, and to examine the inference making process which occurs when familiar brands are associated with large, well known events. Two main findings were discovered. First, evidence that brand/event fit enhances event facilitation inference making was found in 2a and replicated in 2b. The fact that this effect

replicated when fit was "flipped" provides strong evidence that fit, and not some other attribute of the brand is driving the effect.

This effect was not detected in study 1. It is possible that the effect was somehow enhanced through the use of real brands and events. Perhaps the fact that subjects already had beliefs about the size and quality of Evian and Texaco allowed more opportunity for event facilitation inferences to be created. Perhaps the lack of other sponsors on the poster increased event facilitation inferences in a way which allowed the impact of fit to be detected. A reasonably parsimonious explanation for not detecting this effect in previous studies, however, is that there are some anomalous attributes of Rombouts and Extran which made them unique.

While it appears that fit between brand and event can lead to event facilitation inferences, it is not clear when this would be expected. Future research should attempt to find boundary conditions on this effect. Possible studies could examine the role of familiarity of the brand, and the familiarity of the event, as well as the number of other sponsors as possible moderators of this effect.

The second major finding of this set of studies is that for the US Open, knowledge about tennis diminished the impact of fit on event facilitation inferences. That is, groups of subjects high in tennis knowledge showed no significant difference in event facilitation inferences for Evian vs. Texaco. Subject groups low in tennis knowledge, however, made much greater event facilitation inferences about the high fit sponsor (Evian) than the low fit sponsor (Texaco).

One interesting possibility is that low knowledge subjects are unaware of the large size of the event. If low knowledge subjects think the event is not as large, they may be

more likely to attribute a larger role to the supply of bottled water (Evian) to the success of the event. That is, a small event is helped more by this form of event support than a large one.

To test this, subjective and objective knowledge were regressed on the perceived size of the event. The impact of subjective knowledge on perceived size was significant ($F=5.51$. $p<.03$). The impact of objective knowledge was nearly significant ($F=3.64$, $p<.065$). In both cases, as knowledge decreases, the perceived size of the event decreases as well.

Therefore, it appears that the somewhat mysterious moderating role of knowledge on facilitation inferences may have a possible explanation. In addition, this finding can be seen as supporting H9, which states that as the perceived size of an event decreases, perceived facilitation by a sponsoring brand increases. While indirect, this finding is of some importance to the development of overall sponsorship strategy. This topic is covered in depth in chapter eleven.

This chapter completes the initial exploration of the first stage of the inference based model. A good deal has been learned about how event, associational and audience factors impact inference making about a sponsoring brand. How these inference impact choice is covered in the following chapter.

CHAPTER TEN

THE IMPACT OF SPONSORSHIP-BASED INFERENCES ON BRAND CHOICE

The preceding chapters have examined how and when sponsorship associations lead to inference making about the brand. While interesting from a theoretical perspective, this knowledge is managerially relevant only if these inferences impact brand choice. The purpose of this chapter is, therefore, two-fold. The first goal is to demonstrate that sponsorship-based inferences can impact brand choice. The second goal is to demonstrate that this impact can vary from category to category and from brand to brand.

All four types of sponsorship-based inferences could easily be investigated with the method used in this chapter. In order to keep the number of attributes in the choice task manageable for the subjects, however, the number of sponsorship-based inferences was limited to two. Because the previous five studies have provided the strongest evidence of sponsorship's ability to impact brand size and event facilitation inferences, the impact of these inference on choice is investigated in this series of studies.

In order to demonstrate differential impact of the inferences, it was necessary to select two product classes which varied along some dimension. One such dimension which might lead to differential impact of each inference is the ambiguity of product

experience (Hoch and Deighton, 1989). Experience ambiguity was defined as the degree to which a consumer could "know quality" immediately after purchase.

Pretest

Forty-three products were pretested for experience ambiguity along a nine point scale anchored by "you can perfectly know quality immediately after trial" and "you can never fully know quality." Thirty-three pretest subjects evaluated the 43 brands for perceived experience ambiguity. These categories and the mean experience ambiguity ratings are provided in Table 7. The high experience ambiguity product class chosen was auto insurance (mean=4.0). The low experience ambiguity category chosen was yogurt (mean=2.33). This difference is statistically significant ($F=8.59$, $p<.01$).

Because of the radically different attributes in the two product categories to be examined, it is not recommended that these two categories be jointly modeled. Study 3a, therefore, investigates the impact of perceived size and perceived event facilitation on auto insurance choice. Study 3b investigates the impact of these variables on yogurt choice. Discussion of these two studies is left until after the results section of study 3b.

Study 3a

Overview

Subjects made a series of eight choices between two brands of auto insurance (952 total choices). Each choice profile consisted of five brand attributes (including size and event facilitation) for each of two brands. These attributes were manipulated orthogonally through a fractional factorial design. Each subject completed half (8 cells)of this 16 cell

design. While the fractional design employed does not allow testing of all higher order interactions, it is extremely efficient. The full factorial design associated with this study would have 65,536 cells!

Subjects

One hundred nineteen undergraduates in an introductory marketing class at a major southeastern university took part. Each received course extra credit for participation.

Independent Variables

Five independent attribute variables were manipulated orthogonally. They were price (four levels), deductible (two levels), company size (two levels), event facilitation (two levels). and hours of customer service (two levels). Each is described below (see Appendix E).

Price level was determined by measuring perceived auto insurance cost. Pretesting was used to find a range of perceived prices for six months auto insurance coverage. Twenty-two subjects estimated cost for six months insurance coverage. The mean estimate was \$570.45, and the standard deviation was \$89.52. The four manipulated price levels were set at the mean minus one half standard deviation (\$525), the mean (\$570), the mean plus half a standard deviation (\$615) and the mean plus one standard deviation (\$660). The amount of the deductible was manipulated at two levels. The low deductible level was set at \$500. The high deductible level was set at \$1000.

TABLE 7

PERCIEVED EXPERIENCE AMBIGUITY OF SELECTED PRODUCT CATEGORIES

Product Category	mean	stdev
razors	2.03	1.79
icecream	2.09	2.08
frozen dinner	2.18	2.19
beer	2.33	1.98
deodorant	2.33	1.90
yogurt	2.33	*2.26*
athletic shoes	2.52	2.08
encyclopedia	2.64	2.36
carwax	2.70	1.90
cellular phone	2.70	2.24
film	2.70	1.94
shampoo	2.79	1.96
airline	2.88	1.98
hand tools	2.91	2.08
paint	2.94	1.90
cieling fan	3.00	2.19
exercise equip.	3.03	2.32
personal watercraft	3.03	1.85
DVD	3.06	2.01
computer	3.30	2.31
charcoal	3.42	2.60
car	3.48	2.44
Internet service	3.48	2.02
long distance	3.52	1.99
music club	3.52	2.15
credit card	3.58	2.25
condom	3.61	2.41
cable	3.70	1.91
cell phone service	3.73	2.23
bank	3.82	2.04
battery	3.91	2.31
medical insurance	3.97	2.39
car insurance	*4.00*	2.36
motor oil	4.24	2.19
gasoline	4.30	2.19
investment company	4.30	1.83
dogfood	4.33	2.37
mutual find	4.36	2.29
renters insurance	4.45	2.24
car battery	4.52	2.40
catfood	4.55	2.20
spark plugs	4.61	1.97
life insurance	5.06	2.38

The key attributes of interest were company size and event facilitation. Perceptions of both were shown in previous studies to be impacted by sponsorship associations. Company size was manipulated at two levels. At the low level, the profile read "small company." At the high level, it read "large company." Event facilitation was also manipulated at two levels. The attribute was given in the profile as "company involvement with favorite local events." At the low level of event facilitation, the profile read "not involved." At the high level of event facilitation the profile read "helps make them possible."

Finally, customer service hours were manipulated at two levels. At the low level, the profile read "8AM to 6PM, Mon.-Sat." (60 hours per week). At the high level, the profile read "24 hours/day, 7 days/week" (168 hours per week).

Results

A logistic regression was used to test the impact of the five independent variables on auto insurance choice. The logit model regressed price, deductible, company size, event facilitation, and service hours on choice. Parameter estimates for each variable are provided in Table 8 below.

TABLE 8

IMPACT OF FIVE MANIPULATED VARIABLES ON BINARY LOGIT MODEL OF AUTO INSURANCE CHOICE

	Parameter Estimate	SE of Parameter	Asymptotic t-Stat	Pr(Z>|t|)
intercept	.21532644	.86447026E-01	2.491	.0127
price	-.23668224E-01	.21119801E-02	-11.207	.0000
deductible	-.27158952E-02	.25933481E-03	-10.473	.0000
facilitation	.68801263E-01	.57565562E-01	1.195	.2320
company size	.50404886	.12435944	4.053	.0001
service hours	.10788367E-01	.11847266E-02	9.106	.0000

As can be seen in the table, four of the attributes had a significant impact on choice. The sign of the parameter estimate indicates direction of this impact. Therefore, in this data set, as price and deductible increase, choice decreases. As service hours, and company size increase, choice increases. Event facilitation, however, had no detectable impact on choice for auto insurance.

Study 3b

Overview

Subjects made a series of eight choices between two brands of yogurt (1,248 total choices). Each choice profile consisted of five brand attribute (including size and event facilitation) for two yogurt brands. As in 3a these attributes were manipulated orthogonally. Each subject completed half of a 16 cell, radical fractional factorial design.

Subjects

One hundred fifty-six undergraduates in an introductory marketing class at a major southeastern university took part. Each received course extra credit for participation.

Independent Variables

Five independent attribute variables were manipulated orthogonally. They were price (four levels), shelf life (two levels), company size (two levels), event facilitation (two levels), and calories (two levels). Each is described below (see Appendix F).

Price was set by surveying actual prices for single 6-8 oz. cups of yogurt at a local supermarket. Four equally spaced prices within the observed price-range were selected. These prices were \$0.47, \$0.59, \$0.71, and \$0.83. Shelf life was manipulated at two levels. The high level of shelf life was given as 15 days. The low level was 8 days. Company size and event facilitation were manipulated exactly as in 3a. Calories were manipulated at two levels. The low level was 110, and the high level was 160. These are both within the range observed in the supermarket.

Results

As in 3a, logistic regression was used to test the impact of the five independent variables on choice. The logit model regressed price, calories, company size, event facilitation, and shelf life on choice. Parameter estimates for each variable are provided below in Table 9.

TABLE 9

IMPACT OF FIVE MANIPULATED VARIABLES ON BINARY LOGIT MODEL OF YOGURT CHOICE

	Parameter Estimate	SE of Parameter	Asymptotic t-Stat	Pr(Z>|t|)
intercept	.10824559	.72024387E-01	1.503	.1329
price	-.85104661E-01	.61957660E-02	-13.736	.0000
calories	-.21349918E-01	.20470950E-02	-10.429	.0000
facilitation	.16591370	.48397839E-01	3.428	.0006
company size	.31744675	.10012614	3.170	.0015
shelf life	.10856916	.14422567E-01	7.528	.0000

As can be seen in the table, all five of the attributes had a significant impact on choice. As before, the sign of the parameter estimate indicates direction of impact on choice. Therefore, in this data set, as price and calories increase, choice probability decreases. As event facilitation, company size, and shelf life increase, choice probability increases. In the yogurt category, both event facilitation and company size had a significant, positive impact on choice. Large companies and those that facilitated events were preferred.

This pair of studies has shown that the impact of sponsorship-based inferences can differ by brand category. Both studies manipulated company size and event facilitation. Perceptions of both of these attributes have been shown in previous studies to be influenced by sponsorship. In the auto insurance category (study 1a), company size had a measurable impact on choice. Event facilitation had no measurable impact.

For the yogurt category, however, both event facilitation and company size had a significant impact on choice. These findings lend support to the idea that specific sponsorship-based inferences can have different effects on choice in different brand

categories. Therefore, managers need to determine the attribute perceptions which impact choice in the category before setting sponsorship strategy.

It is also possible that brand specific factors might affect the impact sponsorship-based inferences have on choice. That is, within a category, certain inferences might impact some brands more than others. To investigate this possibility, a third study was run, where the two brands in the same category differed along a relevant dimension.

Study 3c

Overview

Subjects made a series of eight choices between two brands of auto insurance (984 total choices). Each choice profile consisted of the same five brand attributes at the same levels as in 3a. Once again these choices were made between two brands. The two brands used in this study differed, however, in that one was a domestic auto insurance company, and the other was a Japanese auto insurance company. The five attributes were manipulated orthogonally, using the same fractional design as in 3a. As before, each subject completed half (8 cells) of the 16 cell design.

Subjects

One hundred twenty-three undergraduates in an introductory marketing class at a major southeastern university took part. Each received course extra credit for participation.

Independent Variables

Five independent attribute variables were manipulated orthogonally in exactly the same manner as in 3a. Again, these attributes were price (four levels), deductible (two levels), company size (two levels), event facilitation (two levels), and hours of customer service (two levels). These attribute levels were identical to those in 3a.

The additional manipulated variable in this study is country-of-origin. In this study, subjects were choosing between the "Wilson" auto insurance company of Atlanta, GA, and the "Kobayama" auto insurance company of Japan. Pretesting revealed that auto insurance is a product class where domestic brands were strongly preferred. The same 43 categories as in Table 7 were tested for domestic vs. foreign preference. The same 33 subjects rated these 43 categories along a 9-point scale anchored by "Always prefer an American brand" and "Always prefer a foreign brand." Results of this pretest are shown below.

TABLE 10

PREFERENCE FOR DOMESTIC VS. FOREIGN BRANDS

Category	mean*	stdev
credit card	1.94	1.30
car insururance	2.03	1.47
medical insurance	2.24	1.84
long distance	2.27	1.51
life insurance	2.30	1.49
bank	2.36	1.88
cable	2.48	1.92
renters insurance	2.48	1.62
cell phone service	2.61	1.69
airline	2.70	1.81
investment company	2.73	1.82
encyclopedia	2.79	1.90
mutual fund	2.79	1.82
frozen dinner	3.18	1.83
internet service	3.30	1.83
yogurt	3.30	1.79
music club	3.42	1.75
condom	3.48	1.91
deodorant	3.58	1.84
ice cream	3.70	2.02
athletic shoes	3.76	2.05
gassoline	3.82	1.96
car battery	4.06	1.90
battery	4.09	2.11
dogfood	4.18	1.53
catfood	4.24	1.70
film	4.27	2.11
shampoo	4.27	1.51
razors	4.36	1.54
tools	4.45	1.80
spark plugs	4.64	1.45
motor oil	4.67	0.99
carwax	4.76	1.32
charcoal	4.76	1.09
exercise equip.	4.85	1.72
ceiling fan	4.88	1.14
paint	4.91	1.13
computer	5.03	2.32
personal watercraft	5.27	1.75
cellular phone	5.67	2.15
beer	6.24	2.22
DVD	6.33	2.10
car	6.48	2.50

1=Always prefer American; 9=Always prefer foreign

As can be seen in the table, auto insurance is a category in which American brands are almost always preferred. This means that, relative to a domestic company, a foreign

auto insurance company faces additional obstacles to acceptance. This fact may mean that sponsorship-based inferences may have a different impact on the foreign brand "Kobayama," than on the domestic brand "Wilson." This possibility is tested formally with a logit model that includes brand-specific parameters for both company size and event facilitation

Results

Once again, a logistic regression was used to test the impact of the independent variables on choice. To test whether the impact of brand size and event facilitation was different for the foreign and domestic brands, brand-specific parameters were estimated for these two variables. This resulted in seven total parameter estimates of interest: the impact of deductible, price, and service hours on overall choice, as well as the impact of company size on foreign and domestic brands (two parameters), and the impact of event facilitation on foreign and domestic brands (two parameters). The parameter estimates for this model are presented in Table 11 below.

TABLE 11

ALTERNATIVE SPECIFIC IMPACT OF MANIPULATED VARIABLES ON AUTO INSURANCE CHOICE: FOREIGN VS. DOMESTIC

	Parameter Estimate	SE of Parameter	Asymptotic t-Stat	Pr(Z>|t|)
intercept	.27265667	.17080180	1.596	.1104
price	-.17256471E-01	.15446752E-02	-11.172	.0000
deductible	-.15683230E-02	.21380779E-03	-7.335	.0000
domestic facilitation	-.57844041E-01	.79390851E-01	-.729	.4662
foreign facilitation	.17589399	.80882673E-01	2.175	.0297
domestic brand size	.94754983E-01	.16374539	.579	.5628
foreign brand size	.96620186	.17070479	5.660	.0000
service hours	.92624914E-02	.10521120E-02	8.804	.0000

As was the case in 3a, choice decreased as price and deductible increased. Also as in 3a, as service hours increased, choice increased. All of these effects are as would be expected.

Turning to the brand specific parameter estimates, however, the results are quite different from those found in 3a. Event facilitation, which previously had no impact on auto insurance choice, now has a significant impact ($p<.03$) on choice for the foreign brand. For the domestic brand, no influence of event facilitation on choice is found. It appears, therefore, that event facilitation can differentially impact different brands within the same category.

Brand size as well shows differential impact on the foreign and domestic brands. In this study, brand size has a significant positive impact on choice for the foreign brand, but no measurable impact on choice for the domestic brand. Once again, evidence is found that even within the same product category an attribute of the brand has a different

impact on one brand vs. another. Given that sponsorship has been shown to influence perceived brand size and perceived event facilitation, the findings of this study demonstrate a potential difference in the value of a sponsorship between two brands in the same category.

Overall Discussion of Studies 3a-3c.

The goal of this chapter was to determine whether attribute perceptions, which had been shown to be impacted by sponsorship, would have different impacts on choice for different brands. The three studies were set up so as to detect differential impact in different categories, as well as on different brands within a single category. A third, and unexpected differentiating factor, market structure, may also have an impact on the importance of various attribute perceptions.

A comparison of studies 3a and 3b demonstrates that an attribute which can have its perceptions shaped by sponsorship (i.e. event facilitation) can have an impact on one product category (yogurt), but not on another (auto insurance). This finding supports the notion that managers need to consider the overall needs of their category when setting sponsorship strategy.

Study 3b demonstrates that an attribute which can have its perceptions shaped by sponsorship (i.e. company size) can have an impact on one brand (Kobayama), but not on another (Wilson). This finding supports the notion that managers must also consider the specific situation of their brand when developing a sponsorship strategy.

A comparison of studies 3a and 3c demonstrates that an attribute which can have its perceptions shaped by sponsorship (i.e. company size) can have an impact under one

market structure (domestic competitor), but not on another (foreign competitor). This finding supports the notion that managers need to consider the competitive environment when setting sponsorship strategy.

Taken together, these three findings suggest that in order to evaluate the value of a sponsorship opportunity, a manager must consider the needs of the specific brand and the category within the current competitive environment. It is not necessary, however, to test multiple scenarios as has been done in this chapter. An individual decision maker need only calculate the relative value of each sponsorship-based inference for that brand. Once these are known, selecting from among various sponsorship opportunities becomes a matter of considering the likely inferences generated by each available association, and picking sponsorships that can generate the inferences most desirable for the particular brand

Basic strategies for developing sponsorship strategies are covered in the following chapter, which discusses the combined findings of the eight studies, and how they can be used by managers to make sponsorship decisions. The next chapter also discusses future research which will eventually lead to more rigorous mathematical screening criteria for selecting sponsorship associations for brands.

CHAPTER ELEVEN

CONCLUSION, IMPLICATIONS, AND FUTURE RESEARCH

The way in which sponsorship impacts consumers is not at all obvious. If you were to ask a consumer who attended an event, "what impact did sponsorship have on you" the likely answer would be "none." Should the conclusion be drawn, therefore, that that the six billion dollars spent per year on sponsorship is wasted money? The results of the eight studies presented in this dissertation would argue "definitely not."

It is easy for a consumer to say that an advertising campaign, a sponsorship, or even a persuasive salesperson had "no influence" on his/her decision. Because everyone has experience as a consumer, it is easy to extrapolate a feeling of "no influence on me" to a theory of "no influence on anyone." For both personal selling and advertising, there is, however, a long history of a measurable impact on sales. This body of evidence makes it easy to prevent the "no impact on me" feeling from guiding beliefs about aggregate effects. Such a long history does not exist for sponsorship. It is, therefore, harder to refute the assumption that the impact of sponsorship on behavior is limited.

The companies pouring the billions into sponsorship must believe that they are getting something in return. Reading the trade press and talking to practitioners has made it clear, however, that there is no consensus about the mechanisms through which

sponsorship impacts behavior. This dissertation is the result of an attempt to address these issues.

More specifically, the purpose of this dissertation has been to explore the variety of ways in which sponsorship works to enhance the equity of the sponsoring brand. In particular, it has investigated how engaging in sponsorship influences various inferences about the brand, and how these inferences impact brand choice. It began by presenting a review of extant sponsorship research, which was found to be largely descriptive and speculative in nature. A summary of relevant research from related "commercial association" domains, like celebrity endorsement and brand and line extension followed.

A conceptual framework for commercial associations in general was then developed. The similarities in findings from celebrity endorsement, brand extension and other commercial association literatures were presented. Likely implications for sponsorship of the common findings of these literatures were developed into formal propositions. The unique nature of sponsorship, and its likely impact on brand equity and positioning, was then provided. The marketing variables which may be affected by sponsorship were examined, and specific proposals about the impact of sponsorship on brand equity and positioning were presented.

The specific mechanisms through which sponsorship works were then considered. Exploratory research and managerial intuition as to how sponsorship works were developed into seven testable mechanisms through which sponsorship may function in various situations. In approximate order of necessary cognitive elaboration, these mechanisms were posited to be simple awareness, affect transfer, image transfer, affiliation, implied size, implied endorsement, and reciprocity. The psychological

underpinnings of these seven mechanisms were proposed and discussed. This allowed many formal propositions to be developed.

Constructs hypothesized to have an impact upon the functioning of these mechanisms, such as fit and sacrilege were then developed. The impact of various types of brand/event "fit" were discussed at length. A review of how the fit construct has been presented in the study of sponsorship and other commercial association domains was presented. Other, more technically defined types of fit, such as "attribute fit," "audience fit" and "positioning fit" were then defined. The discussion of fit concluded with measurement issues.

"Sacrilege" arising from associations perceived to be inappropriate by consumers was then discussed. Formal propositions about when it may arise and its likely impact on sponsorship success were also presented. A theoretical discussion of how other communications can be deployed to maximize the impact of the sponsorship association concluded the background and theory chapters.

A two stage "inference-based model of building brand equity through sponsorship" was then developed to explain the functioning of several of the seven mechanisms. The first stage in the model considered how audience, event and associational factors of a sponsorship impact consumer perceptions about brands. Five studies were presented which explored these issues. The second stage of the model considered how these inferences impact choice for different brands and product categories. Three studies explored these issues using stated-preference choice experiments.

Implications

Early on, it was proposed that sponsorship was the only means of communicating with customers without the benefit of a verbal message, and that any message received must be derived from the association in the mind of a consumer. Some authors, however, have suggested that the primary impact of sponsorship on consumers is simple top-of-mind awareness (e.g. Aaker, 1991). If this were true, the only pertinent issues in sponsorship research would be the size and demographics of each event audience.

Brands such as Sony, however, claim to use sponsorship to reach the "previously unattainable goal" of making their product a bigger part of the Gen-X lifestyle (Williams 1996). LA Gear claims to have successfully used sponsorship associations to reposition its product line (Proctor 1996). Tanqueray gin says it used sponsorship to portray a less stodgy image (Elliot 1995).

It appears, therefore, that the practitioners making sponsorship decisions believe that associating a brand with an event can do more than simply remind people about the brand name. This view has been shared by a variety of authors who have used anecdotal evidence to posit mechanisms through which sponsorship might influence brand perceptions (Hastings,1984; Meenaghan, 1991b ; Thomas, 1985; Crowley, 1991; Parker, 1991; McDonald, 1991; Otker, 1988; Ryssel and Stamminger,1988; Schoch, 1994; Walshe and Wilkinson, 1994). The research presented in this dissertation, however, is the first to find empirical support for such mechanisms. These findings, and their implication for sponsorship strategy, are revisited below.

The most robust finding of sponsorship's impact on brand perception is that associating a brand with a larger event leads to perceptions that the brand is large. This result is found across three studies (1a, 1b and 1c), for both sports (running) and cultural (literature) events. These results replicate experimentally what Rajaretnam (1994) found with a pre-test/post-test field study. Taken together, these findings seem to give strong support to the notion that associating a brand with large events can lead to the perception that brand itself is large. This impact of sponsorship on brand perceptions is likely to be more helpful to some brands than others (see below).

Another result to replicate across multiple studies (1a and 1c) is that associating a brand with a larger event leads to an increase in perceived product quality. While this effect initially appeared to be stronger under title sponsorship, follow-up analysis showed no significant enhancement from the event being named after the brand. This impact of event size on perceived brand quality obtained across both brand categories (coffee and sports drinks) and both event categories (running and literature).

Perceived brand size appears to also be affected by duration of association between the brand and the event. In study 1a, duration had a significant, positive impact perceived brand size. A comparison of the pooled, open ended data from studies 1a and 1b replicated this effect. This is important, because it implies that the benefit to the brand of sponsoring an event is enhanced over time. While media departments in advertising agencies are constantly looking for new, more cost effective means to reach target audiences, these results suggest that for sponsorship, a longer term approach is more beneficial.

Event facilitation inference making was found to be enhanced by three factors. Analysis of the pooled data between 1a and 1c showed a significant impact of title sponsorship on event facilitation inferences. Study 1a showed a positive impact of duration of association on event facilitation inferences. Follow-up analysis in 2a, which found event knowledge to be correlated with the perceived size of the event, supports the notion that sponsoring smaller events leads to greater event facilitation inferences. Therefore, if a brand is trying to improve its perception as a good corporate citizen, these results suggest a sponsorship strategy of being the title sponsor of many, smaller events for a long time. With this type of strategy as well, it appears that an additional positive impact of sponsorship accrues over time.

If one were to assume, however, that each type of inference was equally valuable to all brands, the results of the first five studies could be said to provide limited assistance to a manager trying to assess the value of different sponsorship opportunities. Assuming such an equal value for all brands would only support a strategy of being the title sponsor of high fit events for a long time. Assuming different effects on different brands, however, allows more specific, and perhaps less obvious recommendations to be made.

The results of studies 3a, 3b, and 3c, in fact, support differential impact of inferences on different brands. These studies show that the importance of individual inferences can vary between product categories, between brands within a category, and even between different competitive situations for a single brand. Finding that each inference need not impact all brands uniformly makes the findings of the first five studies much more useful. An example of how this information can be used to select between two sponsorship opportunities is presented below in Table 12 .

TABLE 12

TWO HYPOTHETICAL SPONSORSHIP PROPOSALS

Proposal	Total # exposed	Cost
#1 - 1 event perceived to be "large"	10,000,000 people	$110,000
#2 - 20 events perceived to be "small"	10,000,000 people	$100,000

Given the two proposals above, a brand in a similar situation to one of the domestic auto insurance companies in study 3a should probably choose proposal #1, since the brand size variable had a significant impact on choice while the event facilitation had no measurable impact in that market. Given the lower cost, however, a brand in the situation of the yogurt brands in study 3b, should probably choose proposal #2. A brand which is strongly impacted by event facilitation inferences, but not by brand size, would clearly choose #2.

This example should make two things clear. The first is that a good deal has been learned about how sponsorship impacts brand choice. The second, however, is that there is still much work to be done on quantifying this impact. Potential avenues for improving quantitative rigor are presented below.

Future Research

The research presented in this dissertation represents a first step toward understanding how to optimally include sponsorship in an overall marketing campaign. It has been shown that sponsorship, the promotional medium that conveys no overt message, is in fact capable of generating inferred messages in the minds of consumers. It has also been demonstrated that these inferences can impact brand choice, and that this

impact varies from brand to brand. Some general guidelines for generating "brand size" vs. "event facilitation" inferences were presented above. Such general guidelines are only a first step towards more rigorous analysis which should eventually make more specific recommendations possible. The additional information which is needed before such analysis will be possible is presented below.

Absolute Measures of Inference Making

Studies 1a,1b,1c,2a, and 2b provided some absolute measures of inference making. These studies support the notion that sponsorship associations can lead to inferences about the brand. It is not known, however, how the level of inference making exhibited in this particular experimental setting compares with inference making from more intrusive exposures to associations such as event promotional messages, mass media coverage and actual event attendance.

The absolute amount of inference making in the five studies is easy to calculate. Across the five studies which measured inference making (1a,1b,1c,2a,and 2b) 99 out of 310 subjects (31.93%) made at least one inference about the size, legitimacy, event facilitation or commercial motive of the sponsoring brand. This level of inference making is fairly uniform across the five experiments, from a low of 25% in 1b, to a high of 38% in 1c. It could be argued, however, that this number is inflated due to the task demand involved with asking subjects to list thoughts. That is, consumers might not make as many inferences when they are not asked to list their thoughts.

It is quite possible, however, that the amount of spontaneous inference making in these experiments is much lower than would occur with actual sponsorship. It should be

pointed out that the inferences recorded in the thought listing task were the result of a single, 60 second exposure to a poster for an event. If compared to multiple pre-event promotional exposures, and/or several hours of actual event viewing or attendance, the percentage of people drawing inferences about a sponsoring brand in these experiments could easily be underrepresented.

Determining the actual amount of inference making generated by sponsorship is key to using the inference-based model to assess the actual value of a sponsorship for a particular brand. Techniques similar to those employed in 3a,3b,and 3c should be able to evaluate the change in choice probability once a certain inference is made. Being able to calculate what percentage of consumers exposed to an association will make each inference would allow precise calculations of the value of a sponsorship to be made. Some combination of experimental evidence (to establish causality) and correlational field research (to establish magnitude) must be brought together in order to make reasonable estimates of the number of consumers who will draw certain inferences when exposed to an association.

Once methods for making such estimations exist, calculating the value of a sponsorship to a brand becomes a straightforward endeavor. The percentage of people drawing an inference can be multiplied by an estimate of change in choice probability given the inference. One possible form for such an evaluative function is provided in Appendix I.

Impact of Audience Involvement and Knowledge on Inference Making

One area which has been left somewhat unresolved is the issue of how involvement and knowledge impact inference making. Given that absolute levels of inference making need to be calculated, the role of differential knowledge and involvement cannot be overlooked. Studies 2a and 2b measured both constructs at an individual level. Field research, however, will probably have to rely upon average audience involvement and knowledge across an event. This more aggregate measure, while less valuable for investigating specific mechanisms, should prove quite adequate as an input to predicting event-wide rates of inference making. This level of abstraction will be appropriate to the task of calculating absolute rates of inference making across each event.

One interesting finding from the individual level data must be considered in the aggregate. Study 2a revealed that within the sample, low knowledge was highly correlated with lower perceived event size. The possibility that people low in knowledge about an event generally perceive it to be smaller than high knowledge people is intriguing. This finding provides a new insight into the relationship between knowledge and event facilitation inferences. Future research should investigate when event knowledge is and is not correlated with size. It is quite possible that people low in knowledge about events generally perceive them to be smaller than high knowledge people. Determining the frequency with which this is true will allow a deeper understanding of the role of domain knowledge in inference making.

Conclusion

The research reported here provides support for an impact of sponsorship on brand perceptions, and ultimately on brand choice. Such findings have not been demonstrated previously. Of special interest, evidence was found that the perceived size of a sponsoring brand can be influenced by the size of the sponsored event and by the duration of the association. Perceptions that the brand is helping the event, however, are shown to be enhanced by title sponsorship, sponsoring small events, and being a sponsor for a long time. These findings are especially important because it also was found that perceptions of brand size and perceptions of helping the event are not equally important to all brands.

Taken together, this set of findings suggests the sponsorship association which will be most beneficial can only be determined once the brand situation is known. Once the value of changing different brand perceptions has been determined, the research presented in this dissertation can provide some general guidelines for optimal sponsorship choice. Future research in this area should make these recommendations much more specific.

Some academic researchers and managers still perceive sponsored events as little more than billboards for brand logos. They consider sponsorship to be exclusively an exposure vehicle which is only capable of building top-of-mind awareness. The conceptual framework and empirical evidence presented in this dissertation, however, suggest much richer possibilities for the promotional medium of sponsorship.

APPENDIX A

OPEN ENDED INFERENCE MEASURES AND MANIPULATION CHECKS FOR EXPERIMENT 1A, 1B AND 1C

Now we would like to get your impressions about one of the sponsoring brands: Extran Sports Drink (or Rombouts coffee)

Do you think Extran Sports Drink (Rombouts Coffee) is:

One of the smallest sports drinks (coffees) in Belgium |___|___|___|___|___|___|___| One of the largest sports drinks (coffees) in Belgium

How large do you think Extran's (Rombout's) market share is, compared to other sports drinks in Belgium?

Very small share |___|___|___|___|___|___|___| very large share

How legitimate of a sports drink (coffee) do you perceive Extran Sports Drink (Rombouts Coffee) to be?

A fly-by-night brand |___|___|___|___|___|___|___| A legitimate brand

How "real" of a brand do you perceive Extran Sports Drink (Rombouts Coffee) to be?

Not very real |___|___|___|___|___|___|___| Very real

What do you think the quality level of Extran Sports Drink (Rombouts Coffee) is likely to be?

Very poor quality |___|___|___|___|___|___|___| Very high quality

How important do you think the support of Extran Sports Drink (Rombouts Coffee) is to the sponsored event taking place?

Not important at all |___|___|___|___|___|___|___| Very important

How important do you think the support of Extran Sports Drink (Rombouts Coffee) is to the success of the sponsored event?

Not important at all |___|___|___|___|___|___|___| Very important

How many events do you think Extran Sports Drink (Rombouts Coffee) sponsors each year?

Very few events |___|___|___|___|___|___|___| Lots of events

Compared with other brands of sports drink (coffee) how many events do you think Extran (Rombouts) sponsors

Far fewer than others |___|___|___|___|___|___|___| Many more than others

Overall, how large do you perceive the running (literature) event advertised to be?

A very small event |___|___|___|___|___|___|___| A very large event

Overall, how would you rate the fit between the running (literature) event advertised in the poster and Extran Sports Drink (Rombouts Coffee)

Very poor fit |___|___|___|___|___|___|___| Very good fit

Have you ever been to Europe?	Y	N
Have you ever been to Belgium?	Y	N
Have you ever heard of Extran Sports Drink (Rombouts Coffee) Before today?	Y	N
Have you ever run in a marathon (published a poem)?	Y	N
Have you ever run in a 10K Race(gone to a poetry reading)?	Y	N

APPENDIX B

OPEN ENDED INFERENCE MEASURES AND MANIPULATION CHECKS FOR EXPERIMENT 2A AND 2B

Now we would like to get your impression about EVIAN (TEXACO) (TEXACO) and the US Open (Indy 500) (Indy 500)

How important do you think the support of EVIAN (TEXACO) (TEXACO) is to the US Open (Indy 500) (Indy 500) taking place?

Not at all important |___|___|___|___|___|___|___| Very important

How important do you think the support of EVIAN (TEXACO) is to the success of the US Open?

Not at all important |___|___|___|___|___|___|___| Very important

How important do you think the support of EVIAN (TEXACO) is to the quality of the US Open?

Not at all important |___|___|___|___|___|___|___| Very important

Please indicate your level of agreement with these statements:

EVIAN (TEXACO) must be a good water, or it wouldn't be able to be a sponsor of this event

strongly disagree |___|___|___|___|___|___|___| strongly agree

EVIAN (TEXACO) is demonstrating good corporate citizenship through its support for this event

strongly disagree |___|___|___|___|___|___|___| strongly agree

EVIAN (TEXACO) is just sponsoring this event to get a lot of people to see their name.

strongly disagree |___|___|___|___|___|___|___| strongly agree

Please answer the following:

How many events do you think EVIAN (TEXACO) sponsors each year?

Very few events |___|___|___|___|___|___|___| Lots of events

Compare to other waters, how many events do you think EVIAN (TEXACO) sponsors

Far fewer than others |___|___|___|___|___|___|___| Many more than others

Overall, how large do you perceive the US Open (Indy 500) to be

a very small event |___|___|___|___|___|___|___| a very large event

Overall, how would you rate the fit between EVIAN (TEXACO) and the US Open

Very poor fit |___|___|___|___|___|___|___| very good fit

APPENDIX C

INVOLVEMENT AND KNOWLEDGE MEASURES USED IN EXPERIMENT 2A

Please indicate your level of agreement with the following statements by placing an "X" in the appropriate box.

The message in the poster I just saw was important to me

strongly agree |___|___|___|___|___|___|___| strongly disagree

The poster didn't have anything to do with me or my needs

strongly agree |___|___|___|___|___|___|___| strongly disagree

Please take a moment (approximately 5-10 seconds) to think about tennis and what it means to you. Then complete these scales.

important	|___|___|___|___|___|___|___|	unimportant
of no concern	|___|___|___|___|___|___|___|	of great concern
irrelevant	|___|___|___|___|___|___|___|	relevant
means a lot to me	|___|___|___|___|___|___|___|	means nothing to me
useless	|___|___|___|___|___|___|___|	useful
valuable	|___|___|___|___|___|___|___|	worthless
trivial	|___|___|___|___|___|___|___|	fundamental
beneficial	|___|___|___|___|___|___|___|	not beneficial
matters to me	|___|___|___|___|___|___|___|	doesn't matter
uninterested	|___|___|___|___|___|___|___|	interested
significant	|___|___|___|___|___|___|___|	insignificant
vital	|___|___|___|___|___|___|___|	superfluous
boring	|___|___|___|___|___|___|___|	interesting
unexciting	|___|___|___|___|___|___|___|	exciting
appealing	|___|___|___|___|___|___|___|	unappealing
mundane	|___|___|___|___|___|___|___|	fascinating
essential	|___|___|___|___|___|___|___|	nonessential

undesirable |___|___|___|___|___|___|___| desirable

wanted |___|___|___|___|___|___|___| unwanted

not needed |___|___|___|___|___|___|___| needed

Please rate your level of agreement with the following statements:

I know a great deal about the game of tennis

strongly agree |___|___|___|___|___|___|___|strongly disagree

I know more about the game of tennis than most of my friends

strongly agree |___|___|___|___|___|___|___|strongly disagree

I watch most of the major tennis events that are on TV

strongly agree |___|___|___|___|___|___|___|strongly disagree

I watch more tennis on TV than most of my friends

strongly agree |___|___|___|___|___|___|___|strongly disagree

I play tennis quite frequently

strongly agree |___|___|___|___|___|___|___|strongly disagree

I play tennis more often than most of my friends

strongly agree |___|___|___|___|___|___|___|strongly disagree

I am a good tennis player

strongly agree |___|___|___|___|___|___|___|strongly disagree

I am a better tennis player than most of my friends

strongly agree |___|___|___|___|___|___|___|strongly disagree

Playing tennis lets people see me as I ideally would like them to see me

strongly agree |___|___|___|___|___|___|___|strongly disagree

Tennis helps me to attain the type of life I strive for

strongly agree |___|___|___|___|___|___|___|strongly disagree

I can make many connections or associations between tennis and experiences in my life

strongly agree |___|___|___|___|___|___|___|strongly disagree

Tennis is of high personal importance to me

strongly agree |___|___|___|___|___|___|___|strongly disagree

Tennis helps me express who I am

strongly agree |___|___|___|___|___|___|___|strongly disagree

How many times did you play tennis last week? ______

How many times did you play tennis last month? ______

How many times did you play since last May? ______

How many times did you watch tennis last week? ______

How many times did you watch tennis last month? ______

How many times did you watch tennis since last May? ______

Quick Tennis Quiz

(If not sure, make your best guess)

1 - When a player hits a ball into the net, or outside the court, or fails to hit the ball before it bounces twice, his/her opponent _________________.

2 - Returning the ball over the net before it bounces is called a ________.

3 - For what percentage of the game does the starting server serve ______%

4 - To serve, must the server stand behind the base line or the service line (circle one)?

5 – When serving from the right, must the server hit the ball into the left or the right service court (circle one)?

6 - A serve that is not good is called a ________?

7 - A serve that touches the top of the net and lands in the proper service court is called a ________?

8 - Is it OK for the receiver to return a serve before it bounces once? Yes No (circle one)

9 – A score of zero or nothing is called _______.

10 – A score of 30-30 is called Deuce. True False (circle one)

11 - You must win at least _____ games to win a set.

12 - In championship matches of big tournaments, you must win ______ sets to win the match.

APPENDIX D

OPEN ENDED THOUGHT LISTING BOXES

APPENDIX E

SAMPLE CHOICE PROFILE USED IN EXPERIMENT 3A

	Davis Auto Insurance	Wilson Auto Insurance	
Customer service Hours	8AM-6PM Mon-Sat	24 Hours 7 days/week	
Company Size	Large Company	Small Company	
Company involvement with favorite local events	Not involved	Helps make them possible	
Deductible	$1000	$500	
Price for 6 months coverage	$570.00	$615.00	
	⇓	⇓	
Please indicate your choice (check only one)	☐	☐	

APPENDIX F

SAMPLE CHOICE PROFILE USED IN EXPERIMENT 3B

	Brand "G" Yogurt	Brand "K" Yogurt	
Shelf Life	8 Days	15 Days	
Company Size	Large Company	Small Company	
Company involvement with favorite local events	Not involved	Helps make them possible	
Calories	160	110	
Price for 8 oz. container	$0.59	$0.71	
	⇓	⇓	
Please indicate your choice (check only one)	☐	☐	

APPENDIX G

SAMPLE CHOICE PROFILE USED IN EXPERIMENT 3C

	Kobayama Auto Insurance	Wilson Auto Insurance	
Customer service Hours	8AM-6PM Mon-Sat	24 Hours 7 days/week	
Company Size	Large Company	Small Company	
Company involvement with favorite local events	Not involved	Helps make them possible	
Deductible	$1000	$500	
Price for 6 months coverage	$570.00	$615.00	
	⇓	⇓	
Please indicate your choice (check only one)	☐	☐	

APPENDIX H

SAMPLE EXPOSURE STIMULI FOR EXPERIMENTS 1A,1B,1C,2A AND 2B

This appendix contains example of the posters used to expose subjects to the sponsorship associations in the first five experiments. Two examples are given for experiments 1a, 1b and 1c. One representing the condition in which manipulated variables are "all high" (i.e. large event size, high fit, long duration of association and high share of presence) and one condition in which all manipulated variables are low (i.e. small event size, low fit, short duration of association and low share of presence). The high fit conditions are given for 2a and 2b.

EXPERIMENT 1A "ALL HIGH"

The Euro-Capital International Marathon

Brussels, Belgium
Sunday October 19th 1997 at 9:30 am

TM

Key Sponsor:

EXTRAN
Sports Drink

Proud to be a Sponsor for 5 Years

Associate Sponsors:

adidas

Generale Bank

EXPERIMENT 1A "ALL LOW"

The Leuven Student Fun-Run

Leuven, Belgium

Sunday October 19th 1997 at 9:30 am

Sponsors:

Proud to be a New Sponsor

EXPERIMENT 1B "ALL HIGH"

The European Union
International Literature Festival and Poetry Competition

Brussels, Belgium
October 24th-26th 1997

Attended by:

Her Royal Highness Queen Fabiola

Speakers include:

Kurt Vonnegut

Hugo Claus
Poet Laureate of Belgium

and

Seamus Heaney
Winner of the

Events Include:

Live Poetry Readings

Performance Art Happenings

and

Presentations of European Union Poetry Scholarships

Sponsors:

Rombouts
Cafe · Coffee · Koffie
Proud to be a sponsor for 5 Years

Coolkat Books

Generale Bank

EXPERIMENT 1B "ALL LOW"

Leuven City Library Literature Festival and Poetry Competition

Leuven Belgium
October 24th-26th 1997

Speakers Include:

Wilfried Vanhonacker
Head librarian

Luk Warlop
Poetry Club President

and

Christophe Van Den Bulte
Literature Professor.

Events Include:

Student Poetry Readings

Amateur Performance Art

and

Presentations of the Leuven Poetry Club Award Ribbons

Sponsors:

EXTRAN Sports Drink

Proud to be a New Sponsor

Coolkat Books

Generale Bank

EXPERIMENT 1C "ALL HIGH"

The Extran Euro-Capital International Marathon

Brussels, Belgium
Sunday October 19th 1997 at 9:30 am

Key Sponsor:

EXTRAN
Sports Drink

Proud to be a Sponsor for **5 Years**

Associate Sponsors:

adidas

Generale Bank

EXPERIMENT 1C "ALL LOW"

The Rombouts Student Fun-Run

Leuven, Belgium
Sunday October 19th 1997 at 9:30 am

Key Sponsor:

Rombouts Coffee

Proud to be a Sponsor for **5 Years**

Associate Sponsors:

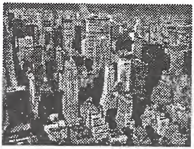
adidas

Generale Bank

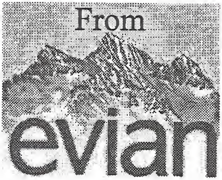
EXPERIMENT 2A – HIGH FIT

Win a Trip to The 1998 US Open

August 24th-September 5th



In New York City



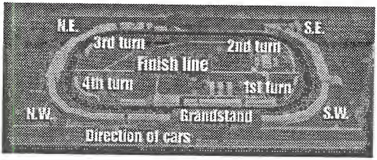
See Bottle for Details

Evian is proud to be an official sponsor of the 1998 US Open

EXPERIMENT 2B – HIGH FIT

Win a Trip to The 1998 Indy 500

May 23rd-25th 1998



At the Indianapolis Motor Speedway

From

TEXACO

See Store for Details

Texaco is proud to be an official sponsor of the 1998 Indy 500

APPENDIX I

ONE POSSIBLE FORM OF A SPONSORSHIP VALUATION FUNCTION FOR A SPECIFIC BRAND

$$Value = MVSBI + MVE$$

Where:

Value=Change in brand equity from sponsorship
MVSBI= Marginal Value of Sponsorship Based Inferences
MVE= Marginal Value of Exposure Through Sponsorship

Assume that efficient markets lead to similar costs per 1000 exposures for various sponsorships. Therefore, exposure per dollar becomes a constant, and deciding which sponsorship opportunity is best for a given brand reduces to a comparison of the MVSBI associated with each sponsorship opportunity.

$$MVSBI = R * M\left[\sum_{x=1}^{4}(\%i_x * CF_x)\right]$$

MVSBI=Marginal value of sponsorship based inferences
R=Reach (number of people aware of the sponsorship association)
M=Margin (net present value of marginal revenue per customer)
%i=% inference (percentage of R who make inference x)
CF=Choice factor (change in choice probability given inference x)

Inferences:
x=1: size
x=2: legitimacy
x=3: facilitation
x=4: commercial motive

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BIOGRAPHICAL SKETCH

John W. Pracejus was born in Bedford, Ohio, a suburb on the southeast of Cleveland. He was raised with three younger sisters, Joan, Anne, and Sue by his father Walter, a civil engineer, and his mother Rosemary, a primary school teacher. He spent his first eight years of school at St. Mary's of the Immaculate Conception where he formed many friendships that last to this day.

He graduated from Bedford Senior High School where he was a member of the swim team, ski club and National Honor Society. He earned two bachelors degrees from Miami University, one in business and one in communications. He then worked selling advertising space and video production services before deciding to return to college to pursue a masters degree at the University of Illinois. It was there that he was exposed to the stimulating environment of an active research faculty. To learn more about a career in academic research and teaching, he asked the advice of Tom O'Guinn, who encouraged John to pursue a Ph.D. in marketing. After completing his master's degree at Illinois, John joined the University of Florida as a doctoral student. He is currently an Assistant Professor of Marketing at the University of Alberta in the city of Edmonton.

I certify that I have read this study and that in my opinion it conforms to acceptable standards of scholarly presentation and is fully adequate, in scope and quality, as a dissertation for the degree of Doctor of Philosophy

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